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CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

BY \_\_\_\_\_

8 [Additional Counsel Listed on Signature Page]

9 *Counsel for Plaintiffs*

10 **IN THE UNITED STATES DISTRICT COURT**  
11 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

12 IRENE CORSON and SUSAN M.  
13 YACKS, On Behalf Of Themselves  
14 And All Others Similarly Situated,

15 Plaintiffs,

16 v.

17 TOYOTA MOTOR SALES,  
18 U.S.A., INC. and TOYOTA  
19 MOTOR CORPORATION,

20 Defendants.

CASE NO.

[CLASS ACTION]

COMPLAINT

JURY TRIAL DEMANDED

BY FAX

CV12-8499

-DSF  
(VBK)

21 **CLASS ACTION COMPLAINT**

22 Plaintiffs, Irene Corson ("Corson") and Susan M. Yacks ("Yacks")  
23 (collectively, "Plaintiffs"), by and through their undersigned counsel, bring this  
24 action on behalf of themselves and all other persons similarly situated, against  
25 Defendants, Toyota Motor Sales, U.S.A., Inc. ("TMS") and Toyota Motor  
26 Corporation ("TMC") (collectively, "Toyota" or "Defendants"), and, in support  
27 thereof, aver as follows upon information and belief, except as to allegations  
28 specifically pertaining to Plaintiffs, which are made upon knowledge:

**NATURE OF ACTION**

1. Plaintiffs bring this action individually and on behalf of the proposed  
class ("Class") as more fully defined below, for the benefit and protection of all

1 current and former owners and lessees of model year 2009 and 2010 Toyota  
2 Corolla and Matrix<sup>1</sup> automobiles purchased or leased in the United States (the  
3 “Class Vehicles” or “Vehicle(s)”). Plaintiffs bring this class action on behalf of  
4 themselves and all other similarly situated persons to obtain damages, restitution,  
5 as well as injunctive and other relief.

6 2. Beginning in at least 2008, Defendants designed, manufactured,  
7 distributed, sold, leased, serviced and warranted the Vehicles that are the subject of  
8 this action. The Vehicles all contain a design defect and/or flaw with the Electric  
9 Power Steering (“EPS”) system, which causes the Vehicles to wander or drift from  
10 center at highway speeds and/or suddenly veer to one direction during normal use  
11 (“Defect”).

12 3. Since 2008, Toyota has sold hundreds of thousands of Vehicles  
13 equipped with the defective EPS system.

14 4. Toyota knew or should have known that the Class Vehicles are  
15 defective, not fit for their intended purpose and unsafe when they are driven within  
16 their normal and/or expected range of operation. Nevertheless, Toyota has actively  
17 concealed and failed to disclose the Defect to Plaintiffs and the Class members,  
18 both prior to and after the time of purchase.

19 5. Toyota knew that owners and lessees of the Vehicles would  
20 reasonably expect that the steering system of the Vehicles would operate in a  
21 predictable and expected manner during normal use and Plaintiffs and other  
22 consumers did, in fact, have precisely that expectation.

23 6. Since at least July 2008, Toyota, through correspondence with the  
24 National Highway Traffic Safety Administration (“NHTSA”), its own internal  
25 research, receipt of consumer complaints, communications with its dealers and  
26 other sources, has known about the Defect, but has failed to disclose the existence  
27 of the Defect to consumers or to provide, disclose, or make available remedies  
28

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<sup>1</sup> The Toyota Matrix is sometimes referred to as the “Corolla Matrix.”

1 which can reduce or eliminate this extremely unsafe and economically burdensome  
2 condition.

3 7. On February 17, 2010, Toyota issued a statement which expressly  
4 recognized that it was aware of the numerous consumer complaints about the issue.  
5 See [http://pressroom.toyota.com/article\\_display.cfm?article\\_id=1884](http://pressroom.toyota.com/article_display.cfm?article_id=1884) (“We are  
6 aware of complaints regarding 2009 and 2010 Corolla steering systems and are  
7 actively investigating the issue.”)

8 8. Despite notice and knowledge of the Defect from the numerous  
9 consumer complaints it has received, as well as information received from dealers,  
10 NHTSA complaints, and its own internal records, Toyota has not recalled the Class  
11 Vehicles to repair the Defect or offered to reimburse its customers. Instead,  
12 Plaintiffs and Class members have been required to unilaterally take the initiative  
13 to address the Defect and have incurred costs related to remedying this Defect on  
14 their own and have, thus, suffered loss of property and otherwise been damaged as  
15 a result of this Defect.

16 9. Due to the Defect, consumers have been, and will continue to be,  
17 forced to deal with an extremely unsafe situation. First, drivers of the defective  
18 Vehicles must constantly, and to an excessive degree, correct their direction of  
19 travel to maintain a safe, straight course and avoid veering from side to side on the  
20 roadway. Second, this Defect causes drivers to lose control of the Vehicles during  
21 normal operation, posing significant risk of injury to persons and property. The  
22 Defect is substantially certain to manifest during the useful life of the Vehicles and  
23 occurs in the course of normal use and operation of the Vehicles.

24 10. Although Toyota has denied the existence of the Defect despite  
25 knowledge of hundreds of consumer complaints, it has acknowledged a problem  
26 with the EPS system and, on June 3, 2010, issued Technical Service Bulletin T-  
27 SB-0140-10 (the “TSB”), setting forth an entirely voluntary procedure, which may  
28 be requested by consumers, to repair the EPS system. The voluntary procedure

1 must be paid for by the consumer unless the Vehicle's 36 month/36,000 mile  
2 warranty remains in effect. Toyota has not issued a recall with respect to the  
3 Defect or the EPS system.

4 11. Despite issuance of the TSB, Toyota has not made the repair  
5 procedure known to all affected customers or even to the dealers who would be  
6 responsible for performing the repairs. When taking their Vehicles to Toyota  
7 dealers and expressing complaints of the Defect, consumers continue to be told that  
8 there is nothing wrong with their Vehicles and that there is nothing that can be  
9 done to remedy their complaints.

10 12. Had Plaintiffs and other Class members known about the Defect at the  
11 time of purchase or lease, they would not have bought or leased the Class Vehicles,  
12 or would have paid less for them.

13 13. As a result of the Defect in the Class Vehicles and the monetary costs  
14 associated with the procedure set forth in the TSB or in otherwise attempting to  
15 remedy the Defect, Plaintiffs and Class members have suffered injury in fact,  
16 incurred damages and have otherwise been harmed by Toyota's conduct.

17 14. This action is brought to remedy violations of state consumer  
18 protection statutes in connection with Toyota's misconduct, including its conscious  
19 effort to conceal material facts concerning the Defect during the distribution,  
20 marketing, sale, advertisement and consumer and warranty service performed with  
21 respect to the Vehicles.

22 15. Plaintiffs and the Class assert claims under the Unfair Competition  
23 Law ("UCL" or "Section 17200"), Business and Professions Code §§ 17200, *et*  
24 *seq.*, the Consumers Legal Remedies Act ("CLRA"), Civil Code §§ 1750, *et seq.*,  
25 and California's "Secret Warranty" law, Civil Code §1795.92.

26 **PARTIES**

27 16. Corson is, and at all times relevant to this action has been, a citizen of  
28 New York. In or about April 2009, Corson purchased a new 2009 Toyota Corolla

1 for her personal use from an authorized Toyota dealer, New Country Toyota,  
2 located in Saratoga Springs, New York.

3 17. Yacks is, and all times relevant to this action has been, a citizen of  
4 Pennsylvania. In or about July 2009, Yacks purchased a used 2009 Toyota Corolla  
5 for her personal use from an authorized Toyota dealer, Lancaster Toyota-Mazda-  
6 Scion, located in East Petersburg, Pennsylvania.

7 18. TMC is a Japanese corporation and is the parent corporation of TMS.  
8 TMC, through its various entities, designs, manufactures, markets, distributes and  
9 sells Toyota, Lexus and Scion automobiles in California and multiple other  
10 locations worldwide, including throughout the United States.

11 19. TMS is Toyota's U.S. sales and marketing arm, which oversees sales  
12 and other operations throughout the United States. TMS distributes Toyota, Lexus  
13 and Scion vehicles and sells these vehicles through its network of dealers. TMS is,  
14 and at all times relevant to this action has been, a California corporation that  
15 maintains its principal place of business within this judicial district in Torrance,  
16 California, and much of the conduct that forms the basis of this Complaint  
17 emanated from TMS' headquarters in Torrance, California. TMC, thus, is a citizen  
18 of California.

19 20. A copy of the requisite affidavits pursuant to Cal. Civ. Code § 1780(d)  
20 are attached as **Exhibit "A"**.

21 21. Money received from the purchase of a Toyota vehicle from a dealer  
22 flows from the dealer to TMS. Money received by the dealer from a purchaser can  
23 be traced to TMS and TMC.

24 22. TMS and TMC sell Toyota vehicles through a network of dealers who  
25 are the agents of TMS and TMC.

### 26 **JURISDICTION AND VENUE**

27 23. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §  
28 1332(d)(2) because the matter in controversy, upon information and belief, exceeds

1 \$5,000,000, exclusive of interest and costs, and this is a class action in which  
 2 certain of the Class members and Defendants are citizens of different states.

3 24. This Court has personal jurisdiction over Defendants because  
 4 Defendants are authorized to do business, and currently do business, in this state.

5 25. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391,  
 6 because TMS is a resident of this judicial district, is headquartered in this judicial  
 7 district, engages in substantial business throughout this district, and many of the  
 8 acts complained of herein emanated from or took place within this district.

### 9 **FACTUAL ALLEGATIONS**

10 26. This is an action brought against Toyota on behalf of Plaintiffs and all  
 11 current and former owners and lessees of the Vehicles.

12 27. Defendants have designed, manufactured, distributed, marketed,  
 13 warranted, sold and leased the Class Vehicles. Upon information and belief,  
 14 Defendants have sold, directly or indirectly through authorized dealers and other  
 15 retail outlets, thousands of Class Vehicles in California and nationwide.

16 28. According to Toyota, the Corolla is the best-selling compact car in the  
 17 United States. *See* <http://www.toyota.com/corolla>. The Toyota Matrix is the  
 18 compact hatchback counterpart of the Corolla. *See* <http://www.toyota.com/matrix>.

19 29. Toyota has touted the safety of the Class Vehicles, and in a December  
 20 22, 2012 press release stated that it has an “ongoing commitment to developing  
 21 safe and reliable vehicles for our customers.”

22 [http://pressroom.toyota.com/article\\_display.cfm?article\\_id=2826](http://pressroom.toyota.com/article_display.cfm?article_id=2826).

23 30. In a September 24, 2009 press release touting the safety of 2010  
 24 Corollas, Toyota represented to consumers the following:

25  
 26 An electric power-assist steering system uses a compact motor,  
 27 speed reducer and torque sensor built into the steering column. The  
 28 system varies the amount of assistance according to engine rpm  
 and vehicle speed. The result is appropriate weight and  
 responsiveness at higher speeds, and light effort at low speeds.

1 Electric power steering reduces parasitic losses to the engine,  
2 thereby aiding fuel economy. It is also environmentally efficient,  
3 because it does not require hydraulic oil.

4 [http://pressroom.toyota.com/article\\_display.cfm?article\\_id=1747](http://pressroom.toyota.com/article_display.cfm?article_id=1747).

5 31. Also in its September 24, 2009 press release, Toyota stated as follows:

6 As part of the Toyota Star Safety System, VSC automatically  
7 adjusts engine output and the vehicles braking force at individual  
8 wheels to help control any discrepancy between where the driver is  
9 steering and where the vehicle is heading.

10 32. Toyota has consistently marketed the Vehicles as “safe” and  
11 proclaimed that safety is one of its “highest corporate priorities.”

12 33. In the Warranty and Maintenance manuals included with all Class  
13 Vehicles, Toyota states:

14 At Toyota, our top priority is always our customers. We know  
15 your Toyota is an important part of your life and something you  
16 depend on every day. That’s why we’re dedicated to building  
17 products of the highest quality and reliability.

18 Our excellent warranty coverage is evidence that we stand behind  
19 the quality of our vehicles. We’re confident—as you should be—  
20 that your Toyota will provide you with many years of enjoyable  
21 driving.

22 34. Also in the Class Vehicles’ Warranty and Maintenance manuals,  
23 Toyota acknowledges that consumers rely on its statements regarding quality and  
24 reliability in deciding to purchase a Toyota, stating, “[w]e realize that your  
25 confidence in the quality and reliability of our products was a key factor in your  
26 decision to buy a Toyota.”

27 35. The warranty language, which appears in substantially similar form in  
28 the warranty for all the Vehicles, is false and misleading because, in fact, the Class  
Vehicles are not of the highest quality and reliability but instead are unsafe and  
unreliable due to the Defect.

36. Toyota has received thousands of complaints from consumers about  
the Defect.







1 steering. Using a compact motor, speed reducer and torque sensor  
2 built into the steering column, the amount of assistance the system  
3 delivers varies according to engine rpm and vehicle speed. The  
result is appropriate weight and responsiveness at higher speeds,  
and light effort at low speeds.

4 Use of electronic power steering helps enhance fuel economy  
5 because it uses electrical power only when assist force is  
6 necessary. It is environmentally efficient because it does not  
require oil like conventional hydraulic power steering systems do.

7 In the unlikely event that an abnormality should occur within the  
8 electronic power steering system, a fail-safe function will shut  
9 down the output current. The system then becomes fully manual,  
and it remains fully operable. A warning lamp in the dash  
illuminates to notify the driver of the abnormality.

10 42. Since the introduction of the Class Vehicles which incorporate the  
11 EPS system, both Toyota and the NHTSA have received over 160 complaints  
12 about the steering of the Vehicles. Consumers commonly complain that the  
13 steering is comparable to being buffeted by strong winds, sliding on black ice, or  
14 hydroplaning. Consumers observe that their attempts to straighten the car result in  
15 overcorrection, requiring the driver to use a tight, persistent, two-handed grip on  
16 the wheel to travel in a straight line.

17 43. In February 2010, the NHTSA opened a formal investigation into the  
18 steering issue, stating as follows:

19 The Office of Defects Investigations (ODI) has received 168 owner  
20 complaints which allege experiences with the steering becoming  
unresponsive or loose while driving at highway speeds in model year  
21 (MY) 2009 through 2010 Toyota Corolla and Matrix vehicles  
equipped with electric power steering. Of these, 8 allege that the  
22 condition caused or contributed to a crash, including 7 MY 2009  
vehicles and 1 MY 2010.

23 44. Toyota has admitted that the steering problems identified by  
24 consumers are a result of Toyota's design concept for the Vehicles. On August 9,  
25 2010, Chris Santucci, Manager of Technical and Regulatory Affairs for TMC, sent  
26 a letter to the NHTSA, taking issue with the NHTSA's determination that certain  
27 steering incidents with Class Vehicles resulted in crashes. In the letter, Mr.  
28 Santucci states, "Toyota continues to believe that the design and performance of

1 the steering system on the subject vehicles is appropriate. Dynamic performance is  
 2 not unusual when compared to other competitive models, and it is consistent with  
 3 the model's steering design concept."

4 45. At the time it closed its Preliminary Report on May 4, 2011, the  
 5 NHTSA had identified 918 unique complaints and 4,118 Toyota warranty claims  
 6 related to steering wander, drift or pulling. Several of the identified incidents had  
 7 resulted in Vehicle crashes, with or without an accompanying personal injury.

8 46. Recognizing that the Defect was widespread, Toyota issued the TSB  
 9 on June 3, 2010, entitled "Steering On-Center Feel." The TSB provides a repair  
 10 procedure for the Defect which includes replacement of the Power Steering  
 11 Computer Assembly. Although the TSB provides that the repair is covered under  
 12 the Toyota Comprehensive Warranty, this is little solace to the consumers who  
 13 have experienced the safety Defect after the expiration of the warranty and who  
 14 were otherwise not provided the redesigned mechanism and were not informed of  
 15 the TSB.

16 47. Despite issuance of the TSB, consumers have reported to the NHTSA  
 17 significant problems getting Toyota to address the Defect with respect to their  
 18 Vehicles. Representative examples of such complaints include the following:

- 19 a) I THEN DROVE THE CAR (FOR THE FIRST TIME ON  
 20 A HIGHWAY) AND NOTICED THAT THE CAR WAS  
 21 INDEED UNSTEADY IN CURVES. IT WONDERED  
 22 LEFT AND RIGHT AND THE POWER STEERING  
 23 SEEMED LOOSE OR WAS ADDING POWER  
 24 STEERING BOOST WHEN NOT NECESSARY.... I NOW  
 25 NOTICED THAT THE VEHICLE, WHEN IN LEFT  
 26 CURVES, CONTINUED TO HAVE THIS SLACK OR  
 27 LOOSE FEELING AT HIGHWAY SPEEDS AND  
 28 WOULD NOT CORRECT ITSELF OR STRAIGHTEN  
 OUT COMING OUT OF THE CURVES. ONE WOULD  
 HAVE TO KEEP YOUR HANDS ON THE STEERING  
 WHEEL TO COMPENSATE FOR THE LOOSENESS ....  
 THEY SAID THE ALIGNMENT WAS PERFECT (I  
 HAVE BOTH PRINT OUTS TO CONFIRM) .... I  
 CONTACTED A TOYOTA SERVICE MANAGER, THEY  
 ARE AWARE OF THE ISSUE BUT HAVE NO FIX FOR  
 THE PROBLEM AS OF THIS DATE. (10/19/10)

- 1 b) I HAVE READ IN CONSUMER REPORTS THAT  
2 TOYOTA HAS ADDRESSED THIS AND IS OFFERING  
3 A FIX, ONLY TO THOSE CUSTOMERS WHO  
4 COMPLAIN, TO REPLACE THE EPS CONTROL  
5 MODULE. I CONTACTED MY DEALER ON 9/24/2010  
6 AND THE SERVICE MANAGER STATED HE KNEW  
7 NOTHING ABOUT THIS FIX. THE DEALERS WERE  
8 SUPPOSED TO KNOW ABOUT THIS IN JUNE 2010  
9 FROM A SERVICE BULLETIN FROM TOYOTA  
10 CORPORATE. PLEASE REQUIRE TOYOTA TO ISSUE  
11 A RECALL TO REPLACE THE EPS CONTROL  
12 MODULE AS THE DEALERS ARE RELUCTANT TO  
13 FIX UPON REQUEST FROM THE CUSTOMER.
- 8 c) ON JUNE 3, TOYOTA ISSUED A BULLETIN TO  
9 DEALERS TELLING THEM TO ADDRESS  
10 COMPLAINTS BY CHECKING THE TIRE PRESSURE  
11 AND ALIGNMENT. IF THOSE STEPS ARE  
12 INSUFFICIENT, THE BULLETIN TOLD DEALERS  
13 THEY COULD REPLACE THE COMPUTER THAT  
14 GOVERNS THE ELECTRIC POWER STEERING WITH  
15 A NEW UNIT, WHICH TOYOTA SAID HAD BEEN "RE-  
16 TUNED" WITH AN "ALTERNATIVE STEERING FEEL."  
17 AS OF AUG 18, 2010, MY LOCAL DEALER SAYS HE  
18 KNOWS OF NO PROBLEM WITH COROLLA  
19 STEERING AND CAN NOT FIND A SERVICE  
20 BULLETIN ABOUT 2009-2010 COROLLA STEERING.
- 15 d) MY 2009 TOYOTA COROLLA XLE (ORIGINAL  
16 OWNER) CONTINUES TO HAVE DIFFICULTY  
17 STAYING CENTERED IN ITS LANE. I HAVE  
18 REPORTED THIS TO TOYOTA CORPORATE MANY  
19 TIMES. I HAVE BEEN TO THE TOYOTA DEALERSHIP  
20 MANY TIMES REGARDING THIS CAR. TOYOTA  
21 CORPORATE TOLD ME THEY SENT A  
22 REPRESENTATIVE TO CHECK THE CAR. I WAS NOT  
23 ALLOWED TO MEET THE REPRESENTATIVE NOR  
24 OBSERVE THE CHECKING OF THE CAR. I RECEIVED  
25 A LETTER FROM TOYOTA CORPORATE THAT THIS  
26 CAR "MEETS TOYOTA'S SPECIFICATIONS". THIS  
27 MAKES TWICE THAT A "REPRESENTATIVE FROM  
28 CORPORATE" HAS CHECKED MY CAR. MY CAR  
STILL DOES NOT STAY CENTERED IN ITS LANE.
- 23 e) ELECTRONIC POWER STEERING (EPS) - CAR SWAYS  
24 AND CANNOT STAY IN STRAIGHT LINE -  
25 NOTICEABLE ON A DAILY BASIS - DEALERSHIP  
26 TRIED TO CORRECT- STILL DRIFTING -  
27 COMPLAINED - DEALERSHIP CHANGED  
28 WHEELS/TIRES - SWAYING STILL EXISTS-  
DEALERSHIP SAID I JUST NEEDED TO "GET USE TO  
THE NEW EPS"
- f) FROM WHEN NEW THE CAR WANDERS AND DRIFTS  
WHEN AT HIGHWAY SPEEDS. HAVE TRIED TO GET  
DEALERS TO FIX WITH NO SUCCESS.

- 1 g) PROBLEM WITH ELECTRONIC STEERING SYSTEM  
 2 ON 2009 TOYOTA COROLLA WHEN DRIVING WITH  
 3 HIGH SPEED (60-80 MPH). THE CAR ROCKS FROM  
 4 LEFT AND RIGHT AND IS HARD TO KEEP IT GOING  
 5 STRAIGHT. TOOK THE CAR TO TOYOTA  
 6 DEALERSHIP AND WAS TOLD THAT THEY  
 7 COULDN'T FIND ANYTHING WRONG WITH IT.
- 8 h) THE DEALERSHIP HAS BEEN IN CONTACT WITH  
 9 TOYOTA CORPORATE WHO ARE SAYING THAT  
 10 THERE IS NO PROBLEM AND THAT THE CASE HAS  
 11 BEEN CLOSED WITH NHTSA. WHAT AM TO DO  
 12 WHEN THE DEALERSHIP ADMITS TO NOT  
 13 KNOWING HOW TO FIX THE PROBLEM AND THE  
 14 REGIONAL SERVICE REP FOR TOYOTA SAYS  
 15 THERE IS NO PROBLEM AND THAT THE CASE WITH  
 16 THE STEERING COLUMN IS CLOSED.
- 17 i) MY 2009 TOYOTA COROLLA CONTINUES TO HAVE  
 18 STEERING ISSUES ... OVERSTEERING, NOT STAYING  
 19 CENTERED IN ITS LANE. I HAVE BEEN TO THE  
 20 DEALERSHIP PROBABLY 12 OR MORE TIMES WITH  
 21 THIS VEHICLE.

### **Experiences of Plaintiffs and the Class**

22 48. Soon after purchasing her Vehicle, and within the Vehicle's warranty  
 23 period, Corson began to experience the effects of the Defect at issue in this case.  
 24 The Vehicle constantly veered from side to side at highway speeds. Corson, on at  
 25 least three occasions in late 2009 and 2010 complained of the Vehicle problems  
 26 and Defect to the Toyota dealer's service personnel. On each occasion, she was  
 27 told that there was no problem or Defect with the Vehicle.

28 49. At all pertinent times, Corson has maintained the Vehicle as  
 recommended by Toyota. Although Corson has maintained her Vehicle as  
 recommended by Toyota, the Defect at issue here manifests irrespective of  
 individual user driving and maintenance habits.

50. Soon after purchasing her Vehicle, and within the Vehicle's warranty  
 period, Yacks began to experience the effects of the Defect at issue in this case. In  
 fact, shortly after purchasing the Vehicle, Yacks' young daughter was driving the  
 Vehicle on a highway when the Vehicle suddenly veered off the right. To no avail,  
 Yacks' daughter tried very hard to steer the Vehicle to the left, but it continued

1 onto the shoulder of grass and gravel. The Vehicle's steering then suddenly  
 2 seemed to engage, but when it did so, the steering overcompensated due to Yacks'  
 3 daughter's attempts to keep the Vehicle off the shoulder of the road. The Vehicle  
 4 then spun out of control, across oncoming traffic where it came to rest in an  
 5 embankment on the opposite side of the highway. Incredibly, no persons were  
 6 injured. After the incident, Yacks complained of the Vehicle problems and Defect  
 7 to the Toyota dealer's service personnel. The Toyota dealer's service personnel  
 8 retained the Vehicle for approximately one month. However, she was told that  
 9 there was no problem or Defect with the Vehicle.

10 51. At all pertinent times, Yacks has maintained her Vehicle as  
 11 recommended by Toyota. Although Yacks has maintained her Vehicle as  
 12 recommended by Toyota, the Defect at issue here manifests irrespective of  
 13 individual user driving and maintenance habits.

14 52. Plaintiffs' experiences mirror those of thousands of other owners and  
 15 lessees of the Vehicles. The Internet is replete with references to the common and  
 16 profound problems that consumers have experienced with the Vehicles as a result  
 17 of the safety Defect. The problem with the Vehicles is both significant and  
 18 widespread. Consumers have made the following representative complaints about  
 19 the Vehicles to the NHTSA:

- 21 • Shawnee, Kansas, July 7, 2009:  
 22 I HAVE A 2010 COROLLA 4 DR LE MODEL, WHICH I  
 23 BOUGHT IN JULY 2009. I CONTINUE TO NOTICE THAT  
 24 THE CAR "WANDERS" ON THE ROAD WHILE DRIVING;  
 25 GENERALLY IT IS REALLY NOTICEABLE ABOUT 50 MPH.  
 26 WHEN THERE ARE WINDY CONDITIONS (FREQUENT IN  
 27 KANSAS), I HAVE TO CONSTANTLY CORRECT MY  
 28 DIRECTION OF TRAVEL SINCE THE WIND EXACERBATES  
 THE WANDERING OF THE VEHICLE. I THOUGHT THAT IT  
 WAS DUE TO THE CROWN OF THE PARTICULAR ROAD,  
 BUT IT DOES IT ON ALL ROADS. MY WIFE HAS DRIVEN  
 THE CAR AND NOTICED THE SAME THING. I HAVE NOT  
 LOST CONTROL OF THE VEHICLE, BUT IT CONCERNS ME  
 THAT A CAR WOULD NOT DRIVE IN A REASONABLE  
 STRAIGHT LINE. THIS IS THE VERY FIRST CAR I'VE EVER  
 OWNED THAT DID IT; IT IS NOT THE FIRST TOYOTA I'VE



1 EVER OWNED, AND HAVE NEVER EVER HAD SUCH A  
 2 PROBLEM. I CANNOT GIVE A SPECIFIC DATE OF  
 INCIDENT, AS IT DOES IT ALL THE TIME, SO I WILL  
 INDICATE THE DELIVERY DATE OF THE VEHICLE TO ME.

3 • Chicago City, Minnesota, March 1, 2010

4 I HAVE A 2010 TOYOTA COROLLA. I PURCHASED IT IN  
 5 JULY AND REALIZED FAIRLY SOON THAT THERE SEEMS  
 6 TO BE A PROBLEM WITH THE STEERING. AT FIRST I  
 7 THOUGHT IT WAS JUST ME BECAUSE I HAVE DRIVEN  
 8 LARGE SUV'S FOR THE PAST 20 YEARS AND I THOUGHT  
 9 IT WAS JUST BECAUSE IT WAS A SMALL CAR. MY  
 10 GROWN SON USED MY CAR TO GO ON A ROAD TRIP AND  
 11 WHEN HE GOT HOME, HE TOLD ME I HAD A SERIOUS  
 12 PROBLEM WITH THE STEERING. HE SAID HE COULD  
 13 HARDLY KEEP IT ON THE ROAD. IF YOU TAKE YOUR  
 14 HANDS OFF THE STEERING WHEEL FOR EVEN A  
 15 SECOND, THE CAR VEERS TOWARDS THE DITCH. IT  
 16 SEEMS TO MOSTLY HAPPEN AT HIGHER SPEEDS. I TOOK  
 17 IT TO THE DEALER AND THEY SAID THERE IS NOTHING  
 18 WRONG WITH THE CAR. I DECIDED TO DRIVE IT FOR  
 AWHILE AS I FELT COMFORTABLE BECAUSE IT HAS A  
 FULL WARRANTY. ABOUT TWO WEEKS AGO, I WAS  
 DRIVING IN THE LEFT LANE ON THE INTERSTATE AND  
 MY CAR ABRUPTLY VEERED INTO THE RIGHT LANE  
 AND I ALMOST SIDE SWIPED THE CAR IN THE RIGHT  
 LANE. IT WAS AS IF A HUGE BLAST OF WIND HIT ME  
 FROM THE LEFT AND SHOVED ME INTO THE RIGHT  
 LANE. IT SCARED ME AND I WAS SO CLOSE TO BEING IN  
 A MAJOR ACCIDENT. I BROUGHT THE CAR BACK TO  
 TOYOTA AGAIN THIS WEEK AND THEY TELL ME  
 AGAIN....NOTHING WRONG. THE CAR IS SQUIRRELLY  
 AND ALL OVER THE ROAD. I REALLY FEEL THERE IS A  
 SERIOUS PROBLEM WITH THE STEERING IN THIS CAR  
 AND I DO NOT KNOW WHERE TO GO FROM HERE.

19 • Bonita Springs, Florida, March 24, 2010:

20 THE CONTACT OWNS A 2010 TOYOTA COROLLA LE. THE  
 21 CONTACT STATED THAT THE VEHICLE WAS REPAIRED  
 22 UNDER NHTSA CAMPAIGN ID NUMBER 10V023000  
 (VEHICLE SPEED CONTROL: ACCELERATOR PEDAL). THE  
 23 VERY NEXT DAY, THE VEHICLE DROVE OVER A CURB  
 24 WITHOUT DRIVER INTENT. ON A SEPARATE OCCASION,  
 25 WHILE DRIVING AT AN APPROXIMATE SPEED OF 45  
 26 MPH, THE STEERING WHEEL UNCONTROLLABLY BEGAN  
 27 VEERING FROM LEFT TO RIGHT WITHOUT DRIVER  
 28 ASSISTANCE. THE VEHICLE WAS TAKEN TO THE  
 DEALER FOR DIAGNOSTIC TESTING. THE DEALER  
 COULD NOT DUPLICATE THE FAILURE. THE DEALER  
 STATED THAT THERE WERE NO REPAIRS AVAILABLE TO  
 CORRECT THE FAILURE. THE OWNER STATED THAT HE  
 WOULD NOT DRIVE THE VEHICLE OVER 1700 MILES. THE  
 APPROXIMATE CURRENT AND FAILURE MILEAGES  
 WERE 3,437.

- 1 • Blue Eye, Missouri, March 6, 2010:  
 2 ON MARCH 6, 2010 I PURCHASED A NEW 2010 TOYOTA  
 3 COROLLA. I DROVE HOME APPROX. 50 HIGHWAY MILES  
 4 AND IMMEDIATELY NOTICED THAT THE STEERING  
 5 SEEMED VERY DIFFERENT. THE SLIGHTEST MOVEMENT  
 6 OF THE STEERING WHEEL RESULTED IN THE CAR  
 7 WANDERING RIGHT TO LEFT. I WAS AWARE THAT THE  
 8 CAR HAD EPS BUT IN NO WAY AWARE THAT THERE  
 9 HAD BEEN PROBLEMS REPORTED SIMILAR TO THE ONE  
 10 THAT I WAS EXPERIENCING. PERHAPS RATHER THAN A  
 11 SLIGHT MOVEMENT OF THE STEERING WHEEL, SOME  
 12 ISSUE CAUSED THE NEED TO CONTINUOUSLY STEER  
 13 THE VEHICLE. IN ANY EVENT I THOUGHT THAT THE EPS  
 14 WAS JUST SOMETHING THAT ONE HAD TO GET  
 15 ACCUSTOMED TO. HOWEVER, NOW THAT I AM AWARE  
 16 THAT I AM NOT ALONE IN HAVING THIS EXPERIENCE, I  
 17 FELT THAT I SHOULD COMPLETE THIS REPORT. DRIVING  
 18 LONG DISTANCES ON THE HIGHWAY IS NOT A  
 19 PLEASURE IN THIS VEHICLE. THAT IS ABOUT IT,  
 20 THANKS FOR YOUR TIME.
- 21 • Apalachin, New York, August 1, 2010:  
 22 I DRIVE A 2010 TOYOTA COROLLA. AS I PROCEEDED  
 23 DOWN MY STREET AT ABOUT 25MPH, I SUDDENLY  
 24 HEARD A BEEPING NOISE AND NOTICED THE POWER  
 25 STEERING WARNING LIGHT ON MY DASH. A FEW  
 26 SECONDS LATER, I LOST CONTROL OF MY STEERING.  
 27 THE CAR SLID TO THE RIGHT, INTO A DITCH. I TRIED TO  
 28 STEER LEFT TO BRING THE CAR OUT OF THE DITCH, BUT  
 NOTHING HAPPENED. I TURNED THE STEERING WHEEL  
 AS FAR AS I COULD TO THE LEFT, AND IT SLOWLY  
 PULLED THE CAR OUT OF THE DITCH. ALL OF THIS  
 HAPPENED IN A MATTER OF SECONDS.
- Broken Arrow, Oklahoma, September 2, 2010:  
 THE CONTACT OWNS A 2010 TOYOTA COROLLA. WHILE  
 TRAVELING 65 MPH THE CONTACT NOTICED THAT THE  
 VEHICLES ALARM HAD SUDDENLY ACTIVATED,  
 SECONDS LATER THE VEHICLE STEERING WHEEL  
 BEGAN TO TURN TO THE RIGHT CAUSING THE CONTACT  
 TO CRASH INTO A DITCH. NO ONE WAS INJURED AND A  
 POLICE REPORT WAS NOT FILED. THERE WERE NO  
 PRIOR WARNINGS AND THE VEHICLE WAS NOT  
 DIAGNOSED. THE CURRENT AND FAILURE MILEAGES  
 WERE 9243.
- Middle Grove, New York, December 2, 2009:  
 THE CONTACT OWNS A 2009 TOYOTA COROLLA. THE  
 CONTACT WAS DRIVING APPROXIMATELY 55 MPH ON  
 NORMAL ROAD CONDITIONS. UNEXPECTEDLY, THERE  
 WAS A LOSS OF STEERING CONTROL WITHOUT  
 WARNING AND THE VEHICLE BEGAN TO WANDER INTO  
 ANOTHER LANE. THE DRIVER WAS ABLE TO GAIN  
 CONTROL AFTER A COUPLE OF SECONDS. THE FAILURE  
 OCCURRED INTERMITTENTLY CAUSING THE VEHICLE  
 TO PULL INTO ONE DIRECTION. THE VEHICLE WAS



1 TAKEN TO AN AUTHORIZED DEALER FOR DIAGNOSTIC  
 2 TESTING. THE TECHNICIAN WAS UNABLE TO LOCATE  
 3 THE FAILURE. THE CONTACT HAD CONCERNS OF THE  
 4 POTENTIAL SAFETY HAZARD WHEN DRIVING AT LOW  
 SPEEDS. THE FAILURE MILEAGE WAS 8,000. . . THE  
 CONSUMER STATED THE VEHICLE WOULD STEER  
 MOSTLY TO THE LEFT FOR A FEW SECONDS.

5 • Acton, Maine, January 22, 2009:

6 I LOST CONTROL OF THE STEERING IN MY 200 COROLLA  
 7 AND IT RESULTED IN AN ACCIDENT. DEALER REFUSED  
 TO ACKNOWLEDGE THE PROBLEM AND BLAMED IT ON  
 MY POOR DRIVING.

8 • Buena Park, California, January 11, 2009:

9 ON JANUARY 11TH 2009 I GOT IN AN ACCIDENT IN MY  
 10 2009 TOYOTA COROLLA. I WAS TRAVELING AT  
 11 APPROXIMATELY 65 MPH ON THE I-5 SOUTH IN SAN  
 12 DIEGO. I NOTICED A CAR INCHING INTO MY LANE  
 13 CLOSE TO HITTING ME SO I IMMEDIATELY TOOK  
 14 EVASIVE ACTION AND TURNED MY STEERING WHEEL  
 15 TO THE LEFT AND IMMEDIATELY LOST CONTROL. I  
 16 SKIDDED TO THE LEFT THEN TO THE RIGHT TRYING TO  
 COUNTER STEER THE WHOLE TIME TO NO EFFECT. I HIT  
 THE CAR THAT I WAS TRYING TO AVOID AND THEN  
 SPUN 180 DEGREES AND SLAMMED INTO THE CENTER  
 DIVIDER. I FEEL THAT I LOST CONTROL WAY TO  
 EASILY. I NOTICED NOT BEING ABLE TO KEEP THE  
 WHEEL STEADY AS WELL PRIOR TO THE CRASH. I  
 RECEIVED WHIPLASH AND WAS TREATED AT A  
 MILITARY HOSPITAL.

17 • Omaha, Nebraska, December 27, 2008:

18 I WAS SOMEWHAT RELIEVED TO SEE THAT THERE, IN  
 19 FACT, IS AN ISSUE WITH THE STEERING ON THE 2009  
 20 COROLLA. I BOUGHT MY FIRST TOYOTA IN SEPT. 2008,  
 21 WHICH WAS A 2009 COROLLA. THAT WINTER, I WAS  
 22 DRIVING ACROSS THE STATE DURING THE HOLIDAYS. I  
 23 WAS ON THE INTERSTATE GOING 75 MPH, THE SPEED  
 24 LIMIT. WITH NO EXPLANATION, ALL OF A SUDDEN I  
 25 LOST CONTROL OF MY CAR. I HADN'T DONE ANYTHING  
 26 TO LOSE CONTROL AND THERE WERE NO WEATHER  
 27 ISSUES. I FOUND MYSELF SKIDDING ACROSS TWO TO  
 28 THREE LANES OF INTERSTATE TRYING TO GET  
 CONTROL BACK OF MY CAR. . . . I EASILY COULD HAVE  
 FLIPPED MANY TIMES THROUGH A DITCH AND GOD  
 KNOWS WHAT ELSE. THANKFULLY THERE WERE NO  
 CARS ON EITHER SIDE OF ME WHEN THIS HAPPENED. TO  
 THIS DAY IT HAS HAUNTED ME ON WHAT HAPPENED  
 THAT DAY AS I HAVE NEVER BEEN THAT CLOSE TO  
 WHAT I CONSIDER A "NEAR DEATH" EXPERIENCE. I  
 EASILY COULD HAVE DIED THAT NIGHT AND I REALIZE  
 THAT. I TOOK MY CAR IN THE NEXT DAY TO THE  
 DEALER AND ASKED THEM TO LOOK AT IT. THEY DID  
 AND SAID THEY COULDN'T FIND ANYTHING. PLEASE DO  
 A RECALL ON THIS ISSUE.

- 1 • Poughquag, New York, February 16, 2010:  
 2 THE CONTACT OWNS A 2009 TOYOTA COROLLA. WHILE  
 3 THE CONTACT WAS DRIVING 50MPH THE VEHICLE  
 4 SUDDENLY DRIFTED TO THE LEFT CAUSING THE  
 5 VEHICLE TO SPIN 180 DEGREES AND CRASH INTO A  
 6 GUARD RAIL. MOMENTS LATER A SECOND VEHICLE  
 7 CRASHED INTO THE CONTACTS VEHICLE. THERE WERE  
 8 NO INJURIES. A POLICE REPORT WAS FILED. THE  
 9 VEHICLE HAD NOT BEEN DIAGNOSED WHEN THE  
 10 COMPLAINT WAS FILED. THE FAILURE MILEAGE WAS  
 11 32,400.
- 12 • Third Lake, Illinois, January 20, 2010:  
 13 STEERING ISSUE WITH 2009 TOYOTA COROLLA, 25,050  
 14 MILES. WHILE TRAVELING AT 20MPH IN RESIDENTIAL  
 15 SUBDIVISION, VEHICLE VEERED LEFT, STEERING  
 16 UNRESPONSIVE, SPUN 180 DEGREES AND CAME TO REST  
 17 AGAINST THE CURB ON THE OPPOSITE SIDE OF THE  
 18 ROAD. CAR IN FRONT AND CAR TO THE REAR PASSED  
 19 THROUGH SAME AREA WITHOUT INCIDENT. ALSO,  
 20 VEHICLE WILL DRIFT ABRUPTLY AT HIGHWAY SPEEDS,  
 21 SIMILAR TO EFFECT OF HIGH CROSSWIND OR ICE, WITH  
 22 NO MOVEMENT OF STEERING WHEEL AND NONE OF THE  
 23 BODY ROLL THAT USUALLY ACCOMPANIES A  
 24 CROSSWIND, REQUIRES HIGH LEVEL OF  
 25 ATTENTIVENESS TO AVOID CROSSING LANE  
 26 BOUNDARIES. THIS BEHAVIOR IS SPORADIC, BUT A 10-  
 27 MILE TRIP IS ENOUGH DISTANCE FOR SEVERAL  
 28 OCCURRENCES. GIVEN THE INTERMITTENT NATURE OF  
 THIS ISSUE, I HAVE NOT REPORTED IT TO THE  
 DEALERSHIP NOR TO TOYOTA, SO NOTHING HAS BEEN  
 DONE AND NO REPAIRS HAVE BEEN ATTEMPTED.
- San Jose, California, July 31, 2008:  
 I WAS DRIVING ON TO THE OFF RAMP AND OFF THE  
 FREEWAY DECELERATING FROM ABOUT 65 MILES PER  
 HOUR. I FELT AS IF A STRONG GUST OF WIND PUSHED  
 MY CAR TO ONE SIDE AT THE SAME TIME THIS  
 OCCURRED THE STEERING WHEEL JERKED TO THE LEFT  
 PULLING MY HAND WITH IT. AT THIS POINT I HAD NO  
 IDEA WHAT HAD HAPPENED I TRIED TO RECORRECT  
 THE WHEEL AND INSTEAD IT WENT WILDLY BACK TO  
 THE RIGHT. THIS HAPPENED ANOTHER TIME WITHIN A  
 COUPLE OF SECONDS. THE NEXT THING I KNOW THE  
 CAR SPUN AROUND 180 DEGREES FACING ONCOMING  
 TRAFFIC OF CARS COMING OFF THE FREEWAY AT  
 WHICH POINT THE CAR DRIFTED, HIT THE CURB AND  
 ROLLED INTO THE EMBANKMENT. THE CAR WAS  
 TOTALED. MY PASSENGERS LEG WAS ALSO INJURED  
 AND WE ARE LUCKY TO BE ALIVE. . . .
- Columbia, Missouri, January 10, 2010:  
 THE CONTACT OWNS A 2009 TOYOTA COROLLA. HE  
 STATED THAT THE ELECTRONIC STEERING WHEEL  
 BECAME DIFFICULT TO CONTROL AND RESISTANT  
 WHEN TURNING THE WHEEL IN EITHER DIRECTION. HE

1 ALSO STATED THAT THE VEHICLE WOULD BEAR TO THE  
 2 LEFT OR RIGHT OFTEN TIMES WITHOUT DRIVER  
 3 INTENT. THE DEALER WAS CONTACTED AND THEY TEST  
 4 DROVE THE VEHICLE WITH THE OWNER AT  
 5 APPROXIMATELY 35 MPH AND VERIFIED THAT THE  
 6 FAILURE DOES EXIST. . . .

7 • Elmhurst, Illinois, March 30, 2009:

8 EVER SINCE I PURCHASED MY 2009 TOYOTA COROLLA I  
 9 HAVE NOTICED STEERING DIFFICULT. I READ BLOGS AT  
 10 THE TIME AND IT SEEMED FROM WHAT I READ, THAT  
 11 THIS WAS JUST A DRAW BACK OF THE CAR, SO I LET IT  
 12 GO. I FEEL I NEED TO REPORT IT NOW. THE STEERING  
 13 FEELS WAY TO RESPONSIVE TO EVEN THE SLIGHTEST  
 14 HAND MOVEMENT OF THE WHEEL, OR BUMP IN THE  
 15 ROAD. BECAUSE THE SUSPENSION ON THIS MODEL IS  
 16 SO STIFF, A BUMP IN THE ROAD CAN CAUSE MY HAND  
 17 TO MOVE A TINY BIT, RESULTING IN THE CAR MOVING  
 18 MUCH MORE THAN ONE WOULD EXPECT FROM LITTLE  
 19 MOVEMENT. THE BEST WAY TO SUM UP THE PROBLEM  
 20 IS THIS; IT IS NEAR IMPOSSIBLE TO JUST GO STRAIGHT,  
 21 OR HOLD THE WHEEL STILL FOR A SECOND. YOU HAVE  
 22 TO CONSTANTLY MOVE SLIGHTLY TO THE RIGHT OR  
 23 THE LEFT JUST TO KEEP IN THE MIDDLE OF YOUR LANE.  
 24 GOING AROUND CURVES SMOOTHLY IS DIFFICULT AS  
 25 WELL. IF IT IS WINDY THIS PROBLEM IS 10 FOLD, AND  
 26 DOWN RIGHT DANGEROUS. I HAVE ALREADY SKIDDED  
 27 OFF A SNOWY HIGHWAY BECAUSE THE CAR SO EASILY  
 28 FISH TAILED WHILE TRYING TO CORRECT MY  
 STEERING. LUCKILY THERE WAS NO DAMAGE, HAD  
 THERE BEEN VEHICLE IN THE LANE NEXT TO MINE,  
 THERE WOULD HAVE BEEN A HORRIFIC CRASH. IN MY  
 17 YEARS OF DRIVING I HAVE NEVER FISH TAILED  
 BEFORE. THE ALIGNMENT AND TIRES HAVE BEEN  
 CHECKED AND ARE FINE. I HAD THE BRAKE RECALL  
 DONE BEFORE THE ABOVE MENTIONED INCIDENT.  
 THERE DOESN'T FEEL TO BE AN ALIGNMENT ISSUE. THE  
 CAR DOES NOT PULL. THE STEERING JUST SEEMS FAR  
 TOO SENSITIVE, THIS COMBINED WITH IT'S ODD  
 AERODYNAMIC RESPONSE, AND BUMPY RIDE MAKE  
 THE STEERING FEEL VERY UNSAFE AT TIMES. EVEN  
 WHEN IT DOESN'T FEEL DANGEROUS, IT IS TIRING TO  
 HAVE TO CONSTANTLY ADJUST THE WHEEL RIGHT AND  
 LEFT JUST TO KEEP IT IN LANE. I'VE NEVER HAD A  
 STEERING ISSUE LIKE THIS WITH ANY OTHER CAR. . . .

24 • Fayetteville, North Carolina, August 4, 2009:

25 2009 TOYOTA COROLLA HAS A PROBLEM WITH THE  
 26 STEERING THAT CAUSED THE CONSUMER TO HAVE AN  
 27 ACCIDENT. \*NJ THE CONSUMER STATED AFTER SHE  
 28 MADE A RIGHT TURN, THE VEHICLE CONTINUED TO  
 VEER ON ITS OWN TO THE RIGHT. THE CONSUMER  
 TRIED TO STEER THE VEHICLE, BUT IT SEEMED AS  
 THOUGH THE STEERING WHEEL WAS LOCKED. SHE  
 ATTEMPTED TO APPLY THE BRAKES, BUT TO NO AVAIL.  
 THE CONSUMER WAS TRAVELING APPROXIMATELY 15-

1 20 MPH WHEN THE VEHICLE WENT DOWN A CLIFF  
 2 APPROXIMATELY 25-20 FEET DEEP, HITTING A TREE  
 3 AND A FENCE BEFORE THE VEHICLE CAME TO A  
 4 COMPLETE STOP. THE CONSUMER AND HER 2  
 5 PASSENGERS WERE INJURED. THE CONSUMER STATED  
 6 THERE WAS A RECALL REGARDING THE BRAKE  
 7 SYSTEM, HOWEVER SHE WAS TOLD NOTHING  
 8 ABNORMAL WAS FOUND WITH THE VEHICLE.

53. A February 2008 review of the 2009 Corolla by the publication Car &  
 Driver characterized the Vehicle's steering problem as a "major flaw," stating "it  
 just doesn't feel right. On-center, the wheel seems to have some heft to it, but as  
 you turn it slightly in either direction, the power assist kicks in much more than we  
 thought necessary. The effect is a major dead spot on-center, particularly  
 noticeable above 60 mph, that requires constant correction to maintain your lane."  
[http://www.caranddriver.com/reviews/2009-toyota-corolla-short-take-road-test-](http://www.caranddriver.com/reviews/2009-toyota-corolla-short-take-road-test-dynamically-average-with-one-major-flaw-page-2)  
[dynamically-average-with-one-major-flaw-page-2.](http://www.caranddriver.com/reviews/2009-toyota-corolla-short-take-road-test-dynamically-average-with-one-major-flaw-page-2)

#### **Toyota's Knowledge of the Defect**

54. Despite the fact that Toyota issued the TSB on June 3, 2010, which  
 introduces a replacement Power Steering Computer Assembly to correct the Defect  
 in the Class Vehicles, Toyota did not provide notice of this TSB to its customers.

55. Toyota's failure to disclose the Defect and the Class members' need  
 to pay for costly repairs if not covered by a warranty are material facts about which  
 consumers reasonably would have expected to have received notice. Had Plaintiffs  
 and Class members known about the safety Defect and the need to replace the  
 Power Steering Computer Assembly to fix the Defect, they would not have bought  
 or leased the Class Vehicles, or they would have paid less to purchase or lease  
 them.

56. Plaintiffs and Class members have reported the Defect to Toyota  
 directly, through its dealers, and through complaints to NHTSA and on various  
 Toyota-based forums and chat rooms on the Internet. Toyota is fully aware of the  
 Defect in the Class Vehicles. Despite this, Toyota has actively concealed the  
 existence and nature of the Defect from Plaintiffs and Class members at the time of

1 purchase or lease and thereafter. Specifically, Toyota has engaged in the following  
 2 acts and omissions:

- 3 a. failed to disclose, at and after the time of purchase or lease and  
 4 attempts to repair, any and all known material facts or material  
 5 Defects associated with the Class Vehicles, including the associated  
 6 repair costs, as well as the Defect that exists in the Class Vehicles  
 7 during their normal and/or expected range of operation;
- 8 b. failed to disclose, at the time of purchase or lease, that the Class  
 9 Vehicles were not in good working order, were defective and unsafe  
 10 and were not fit for their intended purposes; and
- 11 c. failed to disclose or actively concealed the fact that the Class Vehicles  
 12 were and are defective, despite the fact that Toyota learned of such  
 13 defects through its own internal records, testing, dealership repair  
 14 orders and consumer complaints as early as February 2010 (if not  
 15 earlier).

16 57. When Plaintiffs and Class members have visited authorized Toyota  
 17 dealers to complain about the Defect (pursuant to the warranty provisions),  
 18 Defendants have concealed the true nature of the Defect by failing to acknowledge  
 19 the Defect, failing to make free repairs, refusing to verify the Defect by performing  
 20 proper testing, or attributing the Defect to other factors such as driver skill.

21 58. Toyota has not recalled the Class Vehicles to repair the Defect and has  
 22 not offered to its customers a suitable repair or replacement free of charge.

23 59. Problems related to the Defect during foreseeable normal usage result  
 24 in the inability of owners and/or lessees to use the Class Vehicles as they were  
 25 intended and expected to be used.

26 60. When driving within their normal and/or expected range of operation,  
 27 the Class Vehicles are defective and pose an unreasonable safety risk for Class  
 28 members. A reasonable consumer expects and assumes when he/she buys a  
 vehicle that the steering will not wander, drift, pull, or cause loss of vehicle control  
 when the vehicle is being used within its normal and/or expected range of  
 operation. The existence of a safety defect is evidenced by numerous accidents  
 resulting from the Defect.

61. In addition to repair costs associated with remedying the Defect,



1 Toyota has a duty to disclose the defective nature of the Class Vehicles to  
2 consumers because, *inter alia*, (a) the Defect poses an unreasonable safety hazard;  
3 (b) Toyota has exclusive knowledge or access to all of the material information,  
4 and has known that these facts were not known or reasonably discoverable by the  
5 Plaintiffs or the Class members; and (3) Toyota has actively concealed the Defect  
6 present in the Class Vehicles from its consumers.

### 7 **California Contacts**

8 62. TMS is headquartered in Torrance, California. According to a Toyota  
9 brochure regarding its United States Operations in 2009, TMS is “Toyota’s U.S.  
10 sales and marketing arm,” which “oversees sales and other operations in 49 states.”

11 63. Toyota does substantial business in California, with a significant  
12 portion of the proposed nationwide Class located in California.

13 64. California hosts a significant portion of Toyota’s U.S. operations. In  
14 California, Toyota maintains both Toyota and Lexus sales and service offices,  
15 financial service offices, manufacturing facilities, a research and development  
16 center, and a design center. Also, Toyota Motor Engineering and Manufacturing  
17 North America, Inc. has major operations in Torrance, California.

18 65. In addition, the conduct that forms the basis for each and every Class  
19 members’ claims against Toyota emanated from the headquarters in Torrance,  
20 California.

21 66. Toyota personnel responsible for customer communications are  
22 located at TMS’s California headquarters, and the core decision not to disclose the  
23 Defect to consumers was made and implemented from there.

24 67. Toyota personnel responsible for managing Toyota’s customer service  
25 division are located at the TMS’s California headquarters.

26 68. These California personnel implemented Toyota’s decision to deny  
27 the existence of the Defect when customers complained.

28 69. Toyota personnel responsible for communicating with dealers

1 regarding known problems with defective Vehicles are also located at TMS's  
2 California headquarters, and the decision not to inform Toyota dealers of the  
3 Defect was made and implemented from there.

4 70. Toyota's presence is more substantial in California than any other  
5 state. It has four "Financial Service Offices" in California, a "Hiro" operation or  
6 manufacturing facility, a research and development center, and a design center in  
7 California. It also has more employees in California than any other state.

8 71. On information and belief, during the Class Period, hundreds of  
9 thousands of defective Vehicles manufactured in Japan have entered the United  
10 States at ports in California.

11 72. Toyota has significant contacts with the State of California, such that  
12 nationwide application of California law is appropriate. Further, Toyota's conduct  
13 at issue emanated from California such that application of California law  
14 nationwide is appropriate. *See Clothesrigger, Inc., v. GTE Corp.*, 236 Cal.Rptr.  
15 605 (1987); *Wershba v. Apple Computer, Inc.*, 110 Cal.Rptr. 2d 145 (2001).

16 73. Toyota provided Plaintiffs and each owner and lessee with a three-  
17 year warranty, pursuant to which it was obligated to repair and/or replace defective  
18 parts at no charge (inclusive of labor). During that warranty period and under the  
19 terms of Defendants' express warranty, Toyota was (and is) obligated to repair the  
20 Defect in the Vehicles under the terms of the express warranty, but has failed to do  
21 so.

22 74. As a result of Toyota's conduct, Plaintiffs and members of the Class  
23 have suffered injury in fact and otherwise suffered damages and been harmed.

24 75. As a result of the Defect, the Vehicles' value (including, without  
25 limitation, its value at the time of purchase as well as the re-sale value) has been  
26 substantially and permanently diminished, as Plaintiffs and members of the Class  
27 have not received the value for which they bargained when they purchased or  
28 leased the Class Vehicles.



1           76. By this action, Plaintiffs seek relief pursuant to the UCL, CLRA, and  
2 Secret Warranty law.

3           77. Plaintiffs seek injunctive relief, actual damages, disgorgement of  
4 profits, statutory damages, damages for Defendants' unjust enrichment, attorneys'  
5 fees, costs, and all other relief available to the Class as defined herein.

6                           **CLASS ACTION ALLEGATIONS**

7           78. Plaintiffs request that this Court certify the following Class pursuant  
8 to Rule 23 of the Federal Rules of Civil Procedure:

9                           All current and former consumer owners and lessees of a  
10                          model year 2009 or 2010 Toyota Corolla or Matrix  
11                          vehicle purchased or leased in the United States of  
                          America.

12 Excluded from the Class are officers and employees of Toyota and any of its  
13 dealers, any Class members asserting personal injury claims, and the Judge to  
14 whom this case is assigned and his or her immediate staff.

15           79. In the event the Court determines that California law cannot be  
16 applied to consumers nationwide as proposed by the Class described above,  
17 Plaintiffs, in the alternative, seek to certify the following sub-classes:

18                          New York Sub-Class: All current and former consumer owners and lessees  
19                          of a model year 2009 or 2010 Toyota Corolla or Matrix vehicle purchased or  
                          leased in New York.

20                          Pennsylvania Sub-Class: All current and former consumer owners and  
21                          lessees of a model year 2009 or 2010 Toyota Corolla or Matrix vehicle  
                          purchased or leased in Pennsylvania.

22           80. This action is brought and may properly be maintained as a class  
23 action pursuant to Rule 23 of the Federal Rules of Civil Procedure. This action  
24 satisfies the numerosity, typicality, adequacy, predominance and/or superiority  
25 requirements of that Rule.

26           81. Numerosity. Upon information and belief, the members of the Class  
27 number in at least the thousands. As a result, the Class is so numerous that joinder  
28 of all members in a single action is impracticable. The members of the Class

1 should be readily identifiable from information and records in Defendants'  
2 possession, custody or control. The disposition of these claims will provide  
3 substantial benefits to the Class.

4 82. Commonality/Predominance. There is a well-defined community of  
5 interest and common questions of law and fact which predominate over any  
6 questions affecting only individual members of the Class. These common legal  
7 and factual questions will generate common answers which are apt to drive the  
8 resolution of the litigation, do not vary from members of the Class, and which may  
9 be determined without reference to the individual circumstances of members of the  
10 Class, include, but are not limited to the following:

- 11 a. Whether the Vehicles are defective;
- 12 b. Whether Toyota's conduct violated the UCL;
- 13 c. Whether Toyota's conduct violated the CLRA;
- 14 d. Whether Toyota concealed the nature of the Defect in the Vehicles  
15 from Plaintiffs and the members of the Class; and
- 16 e. Whether, as a result of Toyota's misconduct, Plaintiffs and the  
17 members of the Class are entitled to damages, restitution, equitable  
18 relief and/or other damages and relief, and, if so, the amount and  
19 nature of such relief.

20 83. Typicality. The representative Plaintiffs' claims are typical of the  
21 claims of the Class because Plaintiffs and all members of the Class were injured by  
22 the same wrongful practices in which Defendants have engaged and are based on  
23 the same legal theories. The only difference may be the amount of damages  
24 sustained by each member of the Class, which can be determined readily, and does  
25 not bar Class certification.

26 84. Adequacy of Representation. Plaintiffs will fairly and adequately  
27 protect and pursue the interests of the members of the Class. Plaintiffs understand  
28 the nature of the claims herein, their role in these proceedings, and have and will  
vigorously represent the interests of the Class. Plaintiffs have retained Class

1 counsel who are experienced and qualified in prosecuting class actions and other  
2 forms of complex litigation. Neither Plaintiffs nor their attorneys have interests  
3 which are contrary to or conflict with those of the Class.

4 85. Superiority/Manageability. A class action is superior to all other  
5 available methods for the fair and efficient adjudication of this lawsuit, because  
6 individual litigation of the claims of members of the Class is economically  
7 infeasible and procedurally impracticable. While the aggregate damages sustained  
8 by the Class are in the millions of dollars, the individual damages incurred by each  
9 member resulting from Defendants' wrongful conduct are too small to warrant the  
10 expense of individual suits. The likelihood of individual members of the Class  
11 prosecuting separate claims is remote and, even if every person could afford  
12 individual litigation, the court system would be unduly burdened by individual  
13 litigation of such cases. Individual members of the Class do not have significant  
14 interest in individually controlling the prosecution of separate actions, and  
15 individualized litigation would also present the potential for varying, inconsistent,  
16 or contradictory judgments and would magnify the delay and expense to all parties  
17 and to the court system resulting from multiple trials of the same factual issues.  
18 Plaintiffs know of no difficulty to be encountered in the management of this action  
19 that would preclude its maintenance as a class action. Relief concerning Plaintiffs'  
20 rights under the laws herein alleged and with respect to the Class would be proper.

21 86. Certification of the case as a class action under the laws of California  
22 is appropriate because:

- 23 a. TMC and TMS conduct substantial business in and from California;  
24 b. TMS's principal and executive offices, as well as its corporate  
25 headquarters, are located in California;  
26 c. Decisions regarding Toyota's failure to disclose the Defect and  
27 attendant safety risks were made in California;  
28 d. Defendants' marketing, promotional activities and literature, as well  
as TMS's warranties, are coordinated at, emanate from, and/or are  
developed at its California headquarters;

e. The UCL and other claims asserted in this Complaint on behalf of the Class may be appropriately brought on behalf of California and out-of-state Class members; and

f. A significant number of members of the Class reside in the State of California.

87. The nature of notice to the proposed Class is contemplated to be by direct mail upon certification of the Class or, if such notice is not practicable, by the best notice practicable under the circumstance including, *inter alia*, email, publication in major newspapers and/or on the internet.

**FIRST CAUSE OF ACTION**  
**(Violations of Unfair Competition Law, Bus. & Prof. Code § 17200, et seq.)**

88. Plaintiffs reallege and incorporate the above allegations by reference as if set forth fully herein.

89. Plaintiffs bring this cause of action on behalf of a nationwide Class. Defendants have engaged in unfair, unlawful, and fraudulent business practices as set forth above.

90. By engaging in the above-described acts and practices, Defendants have committed one or more acts of unfair competition within the meaning of the UCL.

91. Plaintiffs and the Class reasonably expected that their Vehicles would not be defectively designed such that the steering would wander, drift, pull, or cause the Vehicle to become uncontrollable during normal use.

92. Defendants knew that the Class Vehicles were defectively designed or manufactured, posed a safety risk and were not suitable for their intended and/or expected use.

93. In failing to disclose the Defect present in the Class Vehicles, as well as the associated (potential) repair options and attendant costs, Defendants have knowingly and intentionally concealed material facts.

94. Defendants' unfair or deceptive acts or practices occurred repeatedly

1 in Defendants' trade or business, and were capable of deceiving a substantial  
2 portion of the purchasing public.

3 95. The injury to consumers by this conduct greatly outweighs any  
4 alleged countervailing benefit to consumers or competition under all of the  
5 circumstances.

6 96. As a direct and proximate result of Defendants' unfair and deceptive  
7 practices, Plaintiffs and the Class have suffered and will continue to suffer actual  
8 damages.

9 97. Defendants' acts and practices are unlawful because they violate Civil  
10 Code §§ 1572, 1688, 1709-1710, 1770(a)(5), 1770(a)(7), 1770(a)(9), 1770(a)(19),  
11 and California Commercial Code § 2313. Defendants' acts and practices are also  
12 unlawful because they violate Business and Professional Code §§ 17500, *et seq.*  
13 Specifically, Defendants marketed and sold the Vehicles in a defective condition  
14 and deceptively and intentionally failed to disclose the Defect when they were  
15 under a duty to do so. Toyota's marketing, sales and representations, as well as its  
16 concomitant omissions, were material.

17 98. Defendants have been unjustly enriched and should be required to  
18 make restitution, ordered to disgorge improper funds, provide injunctive relief to  
19 Plaintiffs and the Class and all other relief allowed under Section 17200, *et seq.*,  
20 plus interest, attorneys' fees and costs pursuant to, *inter alia*, Cal. Code of Civ.  
21 Proc. § 1021.5.

22 **SECOND CAUSE OF ACTION**  
23 **(Consumers Legal Remedies Act, Violation of Civil Code §§ 1750, *et seq.*)**

24 99. Plaintiffs reallege and incorporate the above allegations by reference  
25 as if set forth fully herein.

26 100. Plaintiffs bring this cause of action on behalf of a nationwide Class.  
27 Alternatively, in the event that the Court determines that California law cannot be  
28 applied to consumers nationwide, Plaintiffs alternatively bring this cause of action

1 on behalf of a California-only class of Vehicles.

2 101. This claim arises under the CLRA.

3 102. At all times relevant hereto, Plaintiffs were “consumers” as that term  
4 is defined in Civ. Code § 1761(d).

5 103. At all times relevant hereto, Toyota’s Vehicles constituted “goods” as  
6 that term is defined in Civ. Code §1761(a).

7 104. At all times relevant hereto, Defendants constituted “persons” as that  
8 term is defined in Civ. Code § 1761(c).

9 105. At all times relevant hereto, Plaintiffs’ purchases of the Vehicle  
10 constituted a “transaction” as that term is defined in Civ. Code §1761(e).

11 106. At all times relevant hereto, Defendants provided “services” to  
12 Plaintiffs and the Class within the meaning of Civil Code § 1761(b).

13 107. The CLRA provides in relevant part that “[t]he following unfair  
14 methods of competition and unfair or deceptive acts or practices undertaken by any  
15 person in a transaction intended to result or which results in the sale or lease of  
16 goods or services to any consumer are unlawful: (5) Representing that goods . . .  
17 have . . . approval, characteristics, uses, benefits . . . which they do not have; ... (7)  
18 Representing that goods . . . are of a particular standard, quality or grade . . . if they  
19 are of another ...; (9) Advertising goods . . . with intent not to sell them as  
20 advertised; and (19) Inserting an unconscionable provision in the contract.” Civil  
21 Code §§ 1770 (a)(5), (7), (9) and (19).

22 108. Toyota, despite its knowledge of the Defect, failed to disclose and  
23 concealed the Defect from consumers, including Plaintiffs and members of the  
24 Class. The omission was and is material, as Plaintiffs and members of the Class  
25 would not have purchased or leased the Vehicles had they known of the Defect, or  
26 would have paid substantially less for them.

27 109. The undisclosed Defect poses a threat to the safety of Plaintiffs and  
28 Class members, as well as the safety of others on roadways throughout the United

1 States.

2 110. Defendants' unfair and deceptive acts or practices occurred repeatedly  
3 in Defendants' trade or business, were capable of deceiving a substantial portion of  
4 the purchasing public, and imposed a serious safety risk on the public.

5 111. Defendants knew that the Class Vehicles were defectively designed or  
6 manufactured and not suitable for their intended use.

7 112. Defendants were under a duty to Plaintiffs and the Class to disclose  
8 the defective nature of the Class Vehicles and the associated repair costs because:

- 9 a. Defendants had exclusive knowledge of, or were in a superior position  
10 to know, the true state of facts about the Defect in the Class Vehicles;
- 11 b. Plaintiffs and the Class members could not reasonably have been  
12 expected to learn or discover that the Class Vehicles contained a  
13 dangerous Defect until the Defect manifested itself during Vehicle  
14 operation; and
- 15 c. Defendants knew that Plaintiffs and the Class members could not  
16 reasonably have been expected to learn about or discover the Defect,  
17 especially given Toyota's refusal to acknowledge the Defect and  
18 attempts to explain it away.

19 113. In failing to disclose the defective nature of the Class Vehicles, as  
20 well as the associated repair costs, Defendants have knowingly and intentionally  
21 concealed material facts and breached their duty not to do so.

22 114. The facts not disclosed about the Defect would be material to the  
23 reasonable consumer, and are facts that a reasonable consumer would consider  
24 important in deciding whether to purchase or lease a Vehicle and how much to pay  
25 for it. Owning or leasing a Vehicle with the Defect materially changes the manner  
26 in which the Vehicle can be used and enjoyed, resulting in Plaintiffs and Class  
27 members being unable to use the Vehicles in a manner consistent with their  
28 intended and regular purpose and usage.

115. Had Plaintiffs and the Class known about the defective nature of the  
Class Vehicles and/or the costs associated with remedying the Defect, they would  
not have purchased or leased the Class Vehicles, or would have paid less for them.



1           116. As a direct and proximate result of Defendants' unfair or deceptive  
2 acts or practices, Plaintiffs and the Class have suffered and will continue to suffer  
3 actual damages.

4           117. Plaintiffs are consumers under Civil Code § 1761(d). Civil Code §  
5 1780(a)(2) permits any court of competent jurisdiction to enjoin practices that  
6 violate Civil Code § 1770.

7           118. Plaintiffs also are entitled to recover actual or statutory  
8 compensatory/monetary damages as authorized by Civil Code § 1780(a)(1) and  
9 Civil Code § 1781(a)(1), restitution as applicable and authorized under Civil Code  
10 § 1780(a)(3), and punitive damages as authorized by Civil Code § 1780(a)(4),  
11 which are appropriate in this case in light of Defendants' knowing, intentional,  
12 malicious, fraudulent and unconscionable conduct; Defendants' reckless disregard  
13 of its legal obligations to Plaintiff and the members of Class; and/or as otherwise  
14 recoverable under Civil Code § 1780(a)(4).

15           119. Plaintiffs and the members of Class also are entitled to recover  
16 attorneys' fees and costs pursuant to Civil Code §§ 1780 and 1781.

17           120. Under Civil Code § 1782(a), Plaintiffs provided the required 30-day  
18 notice before filing the Complaint pursuant to Civil Code § 1782(d). Following  
19 receipt of the notice, Toyota refused to provide the requested remedies to the Class.

20                           **THIRD CAUSE OF ACTION**  
21           **(Violation of California "Secret Warranty" Law, Civil Code §1795.92)**

22           121. Plaintiffs reallege and incorporate the above allegations by reference  
23 as if set forth fully herein.

24           122. The issuance by Toyota of the TSB on June 3, 2010 constitutes a  
25 program or policy that expands or extends, in a blanket fashion, consumers'  
26 standard warranty beyond its stated limit. The TSB is also an offer by Toyota to  
27 pay for the cost of repairing, or to reimburse consumers for the cost of repairing,  
28 the Defect, which substantially affects the durability, reliability, and performance

1 of the Vehicles. The TSB is therefore an “adjustment program” as defined by Civil  
2 Code Section 1795.90(d).

3 123. Toyota failed to notify Plaintiffs and the Class of the conditions  
4 giving rise to, and the principle terms and conditions of, the TSB within 90 days of  
5 its adoption.

6 124. Toyota failed to notify its dealers, in writing, of all terms and  
7 conditions of the TSB within 30 days of its adoption.

8 125. Plaintiffs and the Class are therefore entitled to monetary, statutory,  
9 and equitable relief pursuant to Civil Code Section 1795.92.

10 **FOURTH CAUSE OF ACTION**  
11 **(New York Sub-Class)**  
12 **VIOLATION OF NEW YORK GENERAL BUSINESS LAW**  
13 **(Deceptive Acts and Practices, N.Y. Gen. Bus. Law § 349)**

14 126. Corson (“New York Plaintiff”) and the New York Sub-Class  
15 incorporate the allegations set forth above as if fully set forth herein.

16 127. This claim is asserted in the alternative in the event that California law  
17 is deemed to not apply.

18 128. Defendants’ business acts and practices alleged herein constitute  
19 deceptive acts or practices under the New York General Business Law, Deceptive  
20 Acts and Practices, N.Y. Gen. Bus. Law § 349 (“NYGBL”).

21 129. The practices of Defendants, described throughout this Complaint,  
22 violate the NYGBL for, *inter alia*, one or more of the following reasons:

23 a. Toyota engaged in deceptive, unfair and unconscionable  
24 commercial practices in failing to reveal material facts and information about the  
25 Vehicles, which did, or tended to, mislead New York Plaintiff and the New York  
26 Sub-Class about facts that could not reasonably be known by the consumers;

27 b. Toyota failed to reveal facts that were material to the  
28 transactions in light of representations of fact made in a positive manner;

c. Toyota caused New York Plaintiff and the New York Sub-Class  
to suffer a probability of confusion and a misunderstanding of legal rights,

1 obligations and/or remedies by and through its conduct;

2 d. Toyota failed to reveal material facts to New York Plaintiff and  
3 the New York Sub-Class with the intent that New York Plaintiff and the New York  
4 Sub-Class members rely upon the omission;

5 e. Toyota made material representations and statements of fact to  
6 New York Plaintiff and the New York Sub-Class that resulted in New York  
7 Plaintiff and the New York Sub-Class reasonably believing the represented or  
8 suggested state of affairs to be other than what they actually were;

9 f. Toyota intended that New York Plaintiff and the New York  
10 Sub-Class rely on its misrepresentations and omissions, so that New York Plaintiff  
11 and other New York Sub-Class members would purchase the Vehicles; and

12 g. Under all of the circumstances, Toyota's conduct in employing  
13 these unfair and deceptive trade practices was malicious, willful, wanton and  
14 outrageous such as to shock the conscience of the community and warrant the  
15 imposition of punitive damages.

16 130. Toyota's actions impact the public interest because New York  
17 Plaintiff and members of the New York Sub-Class were injured in exactly the same  
18 way as thousands of others purchasing and/or leasing the Vehicles as a result of  
19 and pursuant to Toyota's generalized course of deception.

20 131. Had New York Plaintiff and other members of the New York Sub-  
21 Class known of the defective nature of the Vehicles, they would not have  
22 purchased the Vehicles or would have paid less for them.

23 132. The foregoing acts, omissions and practices proximately caused New  
24 York Plaintiff and other members of the New York Sub-Class to suffer actual  
25 damages in the form of, *inter alia*, monies spent to replace/repair the defective EPS  
26 System and/or diminution in value of the Vehicles, and are entitled to recover such  
27 damages, together with appropriate damages including punitive damages,  
28 attorneys' fees and costs of suit.

**FIFTH CAUSE OF ACTION**  
**(New York Sub-Class)**  
**BREACH OF EXPRESS WARRANTY**  
**(N.Y. U.C.C. § 2-313)**

133. New York Plaintiff and the New York Sub-Class incorporate the allegations set forth above as if fully set forth herein.

134. This claim is asserted in the alternative in the event that California law is deemed to not apply.

135. As an express warrantor and manufacturer and merchant, Toyota had certain obligations under N.Y. U.C.C. § 2-313 to conform the Vehicles to the express warranties.

136. When New York Plaintiff and the members of the New York Sub-Class purchased and/or leased their Vehicles (either as new Vehicles or as a used Vehicle with remaining warranty coverage), Toyota expressly warranted that it “will repair, replace, or adjust all parts on your vehicle that are defective in factory-supplied materials or workmanship.” Toyota went on to promise that it would pay for all repairs and parts to replace defective parts.

137. The Defect at issue in this litigation was present at the time of sale and lease to New York Plaintiff and members of the New York Sub-Class.

138. Toyota breached its express warranties (and continues to breach these express warranties) because it did not (and does not) cover the expenses associated with replacing the defective EPS System in New York Plaintiff’s and the New York Sub-Class members’ Vehicles.

139. Pursuant to the express warranties, Toyota was obligated to pay for or reimburse New York Plaintiff and the New York Sub-Class members for costs incurred in replacing the defective EPS System.

140. Pursuant to the express warranties, Toyota also was obligated to repair the Defect.

141. Toyota and its agent dealers have failed and refused to conform the Vehicles to the express warranties and Toyota’s conduct, as discussed throughout

1 this Complaint, has voided any attempt on its part to disclaim liability for its  
2 actions.

3 142. New York Plaintiff has performed each and every duty required under  
4 the terms of the warranties, except as may have been excused or prevented by the  
5 conduct of Toyota or by operation of law in light of Toyota's unconscionable  
6 conduct described throughout this Complaint.

7 143. Toyota received timely notice regarding the problems at issue in this  
8 litigation (indeed, Toyota knew of the Defect prior to offering the Vehicles for sale  
9 or lease) and, notwithstanding such notice, Toyota has failed and refused to offer  
10 an effective remedy.

11 144. In addition, Toyota has received, on information and belief, numerous  
12 complaints and other notices from consumers advising it of the Defect at issue in  
13 this litigation.

14 145. In its capacity as a supplier and/or warrantor, and by the conduct  
15 described herein, any attempt by Toyota to limit its express warranties in a manner  
16 that would exclude or limit coverage for the Defect that was present as of the time  
17 of sale or lease, which Toyota knew about prior to offering the Vehicles for sale or  
18 lease, which Toyota concealed and did not disclose, and which Toyota did not  
19 remedy prior to sale or lease (or afterward) is unconscionable and any such effort  
20 to disclaim or otherwise limit liability for the Defect at issue is null and void.

21 146. Accordingly, New York Plaintiff and the New York Sub-Class  
22 members suffered damages caused by Toyota's breach of the express warranties  
23 and are entitled to recover damages, including, but not limited to, diminution of  
24 value.

25 ///

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27 ///

28 ///

**SIXTH CAUSE OF ACTION**  
**(New York Sub-Class)**  
**BREACH OF IMPLIED WARRANTY**  
**(N.Y. U.C.C. § 2-314)**

147. New York Plaintiff re-alleges and incorporates by reference all paragraphs as though fully set forth herein.

148. This claim is asserted in the alternative in the event that California law is deemed to not apply.

149. Toyota is and was at all relevant times a merchant with respect to the Vehicles.

150. A warranty that the Vehicles were in merchantable quality and condition is implied by law pursuant to N.Y. U.C.C. § 2-314.

151. Toyota impliedly warranted that the Vehicles were of good and merchantable condition and quality – fit and safe for their ordinary intended use.

152. The Vehicles were defective at the time they left the possession of Toyota. These defects include the defective EPS system and related Defect described previously. Toyota knew of the Defect at the time these transactions occurred. Thus, the Vehicles, when sold and at all times thereafter, were not in merchantable condition or quality and are not safe or fit for their ordinary intended purpose.

153. By virtue of the conduct described herein and throughout this Complaint, Toyota breached the implied warranty of merchantability.

154. New York Plaintiff and the New York Sub-Class members have been damaged as a direct and proximate result of Toyota's breach of the implied warranty.

155. New York Plaintiff has performed each and every duty required under the terms of the warranties, except as may have been excused or prevented by the conduct of Toyota or by operation of law in light of Toyota's unconscionable conduct.

156. Toyota received timely notice regarding the problems at issue in this

1 litigation (indeed, Toyota knew of the Defect prior to offering the Vehicles for sale  
2 or lease) and, notwithstanding such notice, Toyota has failed and refused to offer  
3 an effective remedy.

4 157. In addition, Toyota has received, on information and belief, tens of  
5 thousands of complaints and other notices from consumers advising of the Defect  
6 associated with the Vehicles.

7 158. New York Plaintiff has had sufficient dealings with either Toyota or  
8 its agents (dealerships) to establish privity of contract. Notwithstanding this,  
9 privity is not required in this case because New York Plaintiff and the New York  
10 Sub-Class members are intended third-party beneficiaries of contracts between  
11 Toyota and its dealers; specifically, they are intended beneficiaries of Toyota's  
12 implied warranties. The dealers were not intended to be the ultimate consumers of  
13 the Vehicles and have no rights under the warranty agreements provided with the  
14 Vehicles. The warranty agreements were designed for and intended to benefit the  
15 ultimate consumers only.

16 159. As a direct and proximate result of Toyota's breach of warranties,  
17 New York Plaintiff and the New York Sub-Class were caused to suffer economic  
18 damage, including loss attributable to the diminished value of their Vehicles, as  
19 well as the monies spent and to be spent to repair and/or replace their Vehicles.

20 **SEVENTH CAUSE OF ACTION**  
21 **(Pennsylvania Sub-Class)**  
22 **VIOLATION OF PENNSYLVANIA UNFAIR TRADE PRACTICES**  
**AND CONSUMER PROTECTION LAW**  
**(73 P.S. §§ 201-1 et seq.)**

23 160. Yack ("Pennsylvania Plaintiff") and the Pennsylvania Sub-Class  
24 incorporate the allegations set forth above as if fully set forth herein.

25 161. This claim is asserted in the alternative in the event that California law  
26 is deemed to not apply.

27 162. Defendants' business acts and practices alleged herein constitute  
28 unfair, unconscionable and/or deceptive methods, acts or practices under the



1 Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-  
2 1, *et seq.* (“PUTPCPL”).

3 163. At all relevant times, Pennsylvania Plaintiff and all members of the  
4 Pennsylvania Sub-Class were “consumers” within the meaning of the PUTPCPL,  
5 73 P.S. § 201-1.

6 164. Defendants’ conduct, as set forth herein, occurred in the conduct of a  
7 sale within the meaning of the PUTPCPL, 73 P.S. § 201-1.

8 165. The practices of Defendants, described above, violate the PUTPCPL  
9 for, *inter alia*, one or more of the following reasons:

10 a. Toyota engaged in unconscionable commercial practices in  
11 failing to reveal material facts and information about the Vehicles, which did, or  
12 tended to, mislead Pennsylvania Plaintiff and the Pennsylvania Sub-Class about  
13 facts that could not reasonably be known by the consumer;

14 b. Toyota failed to reveal facts that were material to the  
15 transactions in light of representations of fact made in a positive manner;

16 c. Toyota caused Pennsylvania Plaintiff and the Pennsylvania  
17 Sub-Class to suffer a probability of confusion and a misunderstanding of legal  
18 rights, obligations and/or remedies by and through its conduct;

19 d. Toyota failed to reveal material facts to Pennsylvania Plaintiff  
20 and the Pennsylvania Sub-Class with the intent that Pennsylvania Plaintiff and the  
21 Pennsylvania Sub-Class members rely upon the omission;

22 e. Toyota made material representations and statements of fact to  
23 Pennsylvania Plaintiff and the Pennsylvania Sub-Class that resulted in  
24 Pennsylvania Plaintiff and the Pennsylvania Sub-Class reasonably believing the  
25 represented or suggested state of affairs to be other than what they actually were;

26 f. Toyota intended that Pennsylvania Plaintiff and the  
27 Pennsylvania Sub-Class rely on its misrepresentations and omissions, so that  
28 Plaintiffs and other Pennsylvania Sub-Class members would purchase the

1 Vehicles;

2 g. Toyota's conduct violated this act by its failure to conform to  
3 its written warranties; and

4 h. Under all of the circumstances, Toyota's conduct in employing  
5 these unfair and deceptive trade practices was malicious, willful, wanton and  
6 outrageous such as to shock the conscience of the community and warrant the  
7 imposition of punitive damages.

8 166. Toyota's actions impact the public interest because Pennsylvania  
9 Plaintiff and members of the Pennsylvania Sub-Class were injured in exactly the  
10 same way as thousands of others purchasing and/or leasing the Vehicles as a result  
11 of and pursuant to Toyota's generalized course of deception.

12 167. Had Pennsylvania Plaintiff and other members of the Pennsylvania  
13 Sub-Class known of the defective nature of the Vehicles, they would not have  
14 purchased the Vehicles, or would have paid less for them.

15 168. The foregoing acts, omissions and practices proximately caused  
16 Pennsylvania Plaintiff and other members of the Pennsylvania Sub-Class to suffer  
17 an ascertainable loss and actual damages in the form of, *inter alia*, monies spent to  
18 replace the defective EFS system and/or diminution in value of the Vehicles with a  
19 defective EFS system that need to be replaced. Pennsylvania Plaintiff did not  
20 receive the benefit of her bargain, and is entitled to recover such damages, together  
21 with appropriate damages, attorneys' fees and costs of suit.

22 **EIGHTH CAUSE OF ACTION**  
23 **(Pennsylvania Sub-Class)**  
24 **BREACH OF EXPRESS WARRANTY**  
**(PA. U.C.C. § 2313)**

25 169. Pennsylvania Plaintiff and the Pennsylvania Sub-Class incorporate the  
26 allegations set forth above as if fully set forth herein.

27 170. This claim is asserted in the alternative in the event that California law  
28 is deemed to not apply.

1           171. As an express warrantor and manufacturer and merchant, Toyota had  
2 certain obligations under PA. U.C.C. § 2313 to conform the Vehicles to the express  
3 warranties.

4           172. When Pennsylvania Plaintiff and the members of the Pennsylvania  
5 Sub-Class purchased and/or leased their Vehicles (either as new Vehicles or as a  
6 used Vehicle with remaining warranty coverage), Toyota expressly warranted that  
7 it “will repair, replace, or adjust all parts on your vehicle that are defective in  
8 factory-supplied materials or workmanship.” Toyota went on to promise that it  
9 would pay for all repairs and parts to replace defective parts.

10           173. The Defect at issue in this litigation was present at the time of sale and  
11 lease to Pennsylvania Plaintiff and members of the Pennsylvania Sub-Class.

12           174. Toyota breached its express warranties (and continues to breach these  
13 express warranties) because it did not (and does not) cover the expenses associated  
14 with replacing the defective EFS system in Pennsylvania Plaintiff’s and the  
15 Pennsylvania Sub-Class members’ Vehicles and because the EFS system needs to  
16 be replaced.

17           175. Pursuant to the express warranties, Toyota was obligated to pay for or  
18 reimburse Pennsylvania Plaintiff and the Pennsylvania Sub-Class members for  
19 costs incurred in replacing the defective EFS system.

20           176. Pursuant to the express warranties, Toyota also was obligated to repair  
21 the Defect.

22           177. Toyota and its agent dealers have failed and refused to conform the  
23 Vehicles to the express warranties and Toyota’s conduct, as discussed throughout  
24 this Complaint, has voided any attempt on its part to disclaim liability for its  
25 actions.

26           178. Pennsylvania Plaintiff has performed each and every duty required  
27 under the terms of the warranties, except as may have been excused or prevented  
28 by the conduct of Toyota or by operation of law in light of Toyota’s

1 unconscionable conduct described throughout this Complaint.

2 179. Toyota received timely notice regarding the problems at issue in this  
3 litigation (indeed, Toyota knew of the defects prior to offering the Vehicles for sale  
4 or lease) and, notwithstanding such notice, Toyota has failed and refused to offer  
5 an effective remedy.

6 180. In addition, Toyota has received, on information and belief, numerous  
7 complaints and other notices from consumers advising them of the Defect at issue  
8 in this litigation.

9 181. In its capacity as a supplier and/or warrantor, and by the conduct  
10 described herein, any attempt by Toyota to limit its express warranties in a manner  
11 that would exclude or limit coverage for the Defect that was present as of the time  
12 of sale or lease, which Toyota knew about prior to offering the Vehicles for sale or  
13 lease, which Toyota concealed and did not disclose, and which Toyota did not  
14 remedy prior to sale or lease (or afterward), is unconscionable, and any such effort  
15 to disclaim or otherwise limit liability for the Defect at issue is null and void.

16 182. Further, the warranties Defendants provided to Pennsylvania Plaintiff  
17 and Pennsylvania Sub-Class members with the sale or lease of the Vehicles, in that  
18 they will repair defective parts, were affirmations of fact, which became part of the  
19 basis of the bargain and, therefore, constitute express warranties.

20 183. In reliance upon said express warranty, Pennsylvania Plaintiff and the  
21 Pennsylvania Sub-Class members purchased the Vehicles.

22 184. Pennsylvania Plaintiff and members of the Pennsylvania Class are in  
23 privity with Toyota. Toyota markets its products directly to consumers and  
24 maintains a direct relationship with purchasers. Toyota-authorized dealers and  
25 service professionals are agents of Toyota and their participation in the sale,  
26 maintenance, and repair of Vehicles at the direction and under the supervision of  
27 Toyota, does not interrupt the direct relationship between Toyota and Pennsylvania  
28 Plaintiff and members of the Pennsylvania Sub-Class. Pennsylvania Plaintiff and

1 members of the Pennsylvania Sub-Class purchased their Vehicles directly from  
2 Toyota or Toyota's actual or apparent agents, including Toyota-authorized dealers.

3 185. Pennsylvania Plaintiff and members of the Pennsylvania Sub-Class  
4 also are in privity with Toyota by virtue of the contractual relationship stemming  
5 from the manufacturer's warranty Toyota provided in conjunction with the sale of  
6 its Vehicles, regardless of where, or from whom, the Vehicles were acquired.

7 186. Accordingly, Pennsylvania Plaintiff and the Pennsylvania Sub-Class  
8 members suffered damages caused by Toyota's breach of the express warranties  
9 and are entitled to recover damages, including, but not limited to, diminution of  
10 value.

11 **NINTH CAUSE OF ACTION**  
12 **(Pennsylvania Sub-Class)**  
13 **BREACH OF IMPLIED WARRANTY**  
14 **(P.A. U.C.C. § 2314)**

15 187. Pennsylvania Plaintiff re-alleges and incorporates by reference all  
16 paragraphs as though fully set forth herein.

17 188. This claim is asserted in the alternative in the event that California law  
18 is deemed to not apply.

19 189. Toyota is and was at all relevant times a merchant with respect to the  
20 Vehicles.

21 190. A warranty that the Vehicles were in merchantable quality and  
22 condition is implied by law pursuant to P.A. U.C.C. § 2314.

23 191. Toyota impliedly warranted that the Vehicles were of good and  
24 merchantable condition and quality – fit and safe for their ordinary intended use.

25 192. The Vehicles were defective at the time they left the possession of  
26 Toyota. Toyota knew of the Defect at the time these transactions occurred. Thus,  
27 the Vehicles, when sold and at all times thereafter, were not in merchantable  
28 condition or quality and are not fit for their ordinary intended purpose.

193. By virtue of the conduct described herein and throughout this  
Complaint, Toyota breached the implied warranty of merchantability.

1           194. Pennsylvania Plaintiff and the Pennsylvania Sub-Class members have  
2 been damaged as a direct and proximate result of Toyota's breach of the implied  
3 warranty.

4           195. Pennsylvania Plaintiff has performed each and every duty required of  
5 her under the terms of the warranties, except as may have been excused or  
6 prevented by the conduct of Toyota or by operation of law in light of Toyota's  
7 unconscionable conduct.

8           196. Toyota received timely notice regarding the problems at issue in this  
9 litigation (indeed, Toyota knew of the Defect prior to offering the Vehicles for sale  
10 or lease) and, notwithstanding such notice, Toyota has failed and refused to offer  
11 an effective remedy.

12           197. In addition, Toyota has received, on information and belief, numerous  
13 complaints and other notices from consumers advising of the Defect associated  
14 with the Vehicles.

15           198. Pennsylvania Plaintiff has had sufficient dealings with either Toyota  
16 or its agents (dealerships) to establish privity of contract. Notwithstanding this,  
17 privity is not required in this case because Pennsylvania Plaintiff and the  
18 Pennsylvania Sub-Class members are intended third-party beneficiaries of  
19 contracts between Toyota and its dealers; specifically, they are intended  
20 beneficiaries of Toyota's implied warranties. The dealers were not intended to be  
21 the ultimate consumers of the Vehicles and have no rights under the warranty  
22 agreements provided with the Vehicles. The warranty agreements were designed  
23 for and intended to benefit the ultimate consumers only.

24           199. As a direct and proximate result of Toyota's breach of warranties,  
25 Pennsylvania Plaintiff and the Pennsylvania Sub-Class were caused to suffer  
26 economic damage, including loss attributable to the diminished value of their  
27 Vehicles, as well as the monies spent and to be spent to repair and/or replace their  
28 Vehicles.



**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs and members of the Class request that the Court enter an order or judgment against Defendants as follows:

A. Certifying this case as a class action and appointing Plaintiffs and their counsel to represent the Class;

B. Awarding Plaintiffs and other members of the Class damages and all other relief available under the claims alleged;

C. Awarding Plaintiffs and other members of the Class pre-judgment and post-judgment interest as a result of the wrongs complained of herein;

D. Awarding Plaintiffs and other members of the Class their costs and expenses in this litigation, including reasonable attorneys' fees and other costs of litigation;

E. Requiring Defendants to disgorge the revenue earned through the sale of the Vehicles;

F. Enjoining Defendants from engaging in the conduct described of herein;

G. Awarding Plaintiffs and other members of the Class restitution; and

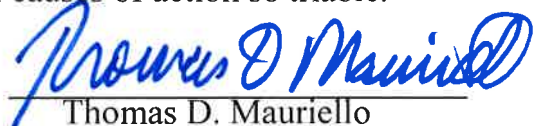
H. Awarding such other and further relief the Court deems just and proper.

**JURY DEMAND**

Plaintiffs demand a trial by jury on all causes of action so triable.

Dated: October 3, 2012

By:

  
Thomas D. Mauriello

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brad@kuhlmanlucas.com

*Co-counsel for Plaintiffs*

# **EXHIBIT A**

1  
2 **IN THE UNITED STATES DISTRICT COURT**  
3 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

4 Irene Corson and Susan M.  
5 Yacks, On Behalf of Themselves  
6 and All Others Similarly Situated,

7 Plaintiffs,

8 v.

9 Toyota Motor Sales, U.S.A., Inc. and  
10 Toyota Motor Corporation

11 Defendants.

CIVIL ACTION NO.

CLASS ACTION

JURY TRIAL DEMANDED

12 **DECLARATION OF IRENE CORSON**

13 I, Irene Corson, declare under penalty of perjury as follows:

14 1. I make this declaration based upon my personal knowledge except as  
15 to those matters stated herein that are based upon information or belief, which I  
16 believe to be true.

17 2. I am an adult citizen of the State of New York. I reside in Middle  
18 Grove, New York, and I am a named Plaintiff in this litigation.

19 3. In or about July 2009, I purchased a new 2009 Toyota Corolla from  
20 an authorized Toyota dealer in Saratoga Springs, New York.

21 4. To the best of my knowledge, information and belief, Defendant  
22 Toyota Motor Sales, U.S.A., Inc., is a California corporation with its principal  
23 place of business and executive offices located in Torrance, California.

24 5. To the best of my knowledge, information and belief, Defendant  
25 Toyota Motor Corporation, through its involvement with Toyota Motor Sales,  
26 U.S.A., Inc., does business directly and/or indirectly in California.  
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1 I declare under penalty of perjury under the laws of the State of New York  
2 that the foregoing is true and correct. Executed this 28 day of September, 2012  
3 at Middle Grove, New York.

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5 IRENE CORSON  
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2 **IN THE UNITED STATES DISTRICT COURT**  
3 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

4 Irene Corson and Susan M.  
5 Yacks, On Behalf of Themselves  
6 and All Others Similarly Situated,

7 Plaintiffs,

8 v.

9 Toyota Motor Sales, U.S.A., Inc. and  
10 Toyota Motor Corporation

11 Defendants.

CIVIL ACTION NO.

CLASS ACTION

JURY TRIAL DEMANDED

12 **DECLARATION OF SUSAN M. YACKS**

13 I, Susan M. Yacks, declare under penalty of perjury as follows:

14 1. I make this declaration based upon my personal knowledge except as  
15 to those matters stated herein that are based upon information or belief, which I  
16 believe to be true.

17 2. I am an adult citizen of the Commonwealth of Pennsylvania. I reside  
18 in Lancaster, Pennsylvania and I am a named Plaintiff in this litigation.

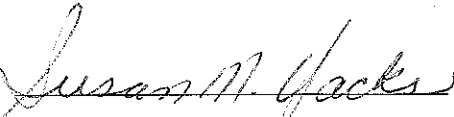
19 3. In or about July 2009, I purchased a used 2009 Toyota Corolla from  
20 an authorized Toyota dealer in East Petersburg, Pennsylvania.

21 4. To the best of my knowledge, information and belief, Defendant  
22 Toyota Motor Sales, U.S.A., Inc., is a California corporation with its principal  
23 place of business and executive offices located in Torrance, California.

24 5. To the best of my knowledge, information and belief, Defendant  
25 Toyota Motor Corporation, through its involvement with Toyota Motor Sales,  
26 U.S.A., Inc., does business directly and/or indirectly in California.  
27  
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1 I declare under penalty of perjury under the laws of the Commonwealth of  
2 Pennsylvania that the foregoing is true and correct. Executed this 28 day of  
3 September, 2012 at Lancaster, Pennsylvania.

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5 SUSAN M. YACKS  
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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY**

This case has been assigned to District Judge Dale S. Fischer and the assigned discovery Magistrate Judge is Victor B. Kenton.

The case number on all documents filed with the Court should read as follows:

**CV12- 8499 DSF (VBKx)**

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

=====

**NOTICE TO COUNSEL**

*A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).*

Subsequent documents must be filed at the following location:

☒ **Western Division**  
312 N. Spring St., Rm. G-8  
Los Angeles, CA 90012

☐ **Southern Division**  
411 West Fourth St., Rm. 1-053  
Santa Ana, CA 92701-4516

☐ **Eastern Division**  
3470 Twelfth St., Rm. 134  
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

Name & Address: Thomas D. Mauriello (SBN144811)  
 MAURIELLO LAW FIRM, APC  
 1181 Puerta Del Sol, Suite 120  
 San Clemente, CA 92673  
 Tel: (949) 542-3555/Fax: (949) 606-9690  
 Email: tomm@maurlaw.com

UNITED STATES DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA

IRENE CORSON and SUSAN M.  
 YACKS, On Behalf Of Themselves  
 And All Others Similarly Situated,

PLAINTIFF(S)

v.

TOYOTA MOTOR SALES,  
 U.S.A., INC. and TOYOTA  
 MOTOR CORPORATION,

DEFENDANT(S).

CASE NUMBER

CV 12-8499 -DSF (VBK)

SUMMONS

TO: DEFENDANT(S): *Toyota Motor Sales, U.S.A., Inc. and Toyota Motor Corporation*  
 A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it), you must serve on the plaintiff an answer to the attached ☒ complaint ☐ amended complaint ☐ counterclaim ☐ cross-claim or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff's attorney, Thomas D. Mauriello, whose address is 1181 Puerta Del Sol, Suite 120, San Clemente, CA 92673, Tel: (949) 542-3555. If you fail to do so, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

OCT - 3 2012

Dated: \_\_\_\_\_

Clerk, U.S. District Court

By: *Maureen Per*

Deputy Clerk

(Seal of the Court)

[Use 60 days if the defendant is the United States or a United States agency, or is an officer or employee of the United States. Allowed 60 days by Rule 12(a)(3)].

Name & Address: Thomas D. Mauriello (SBN144811)  
 MAURIELLO LAW FIRM, APC  
 1181 Puerta Del Sol, Suite 120  
 San Clemente, CA 92673  
 Tel: (949) 542-3555/Fax: (949) 606-9690  
 Email: tomm@maurlaw.com

UNITED STATES DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA

IRENE CORSON and SUSAN M.  
 YACKS, On Behalf Of Themselves  
 And All Others Similarly Situated,

PLAINTIFF(S)

v.

TOYOTA MOTOR SALES,  
 U.S.A., INC. and TOYOTA  
 MOTOR CORPORATION,

DEFENDANT(S).

CASE NUMBER

CV12-8499-DSF(VBK)

SUMMONS

TO: DEFENDANT(S): *Toyota Motor Sales, U.S.A., Inc. and Toyota  
 Motor Corporation*

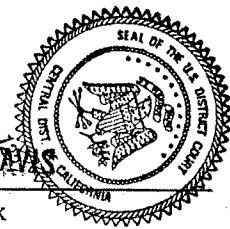
A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it), you must serve on the plaintiff an answer to the attached ☒ complaint ☐ amended complaint ☐ counterclaim ☐ cross-claim or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff's attorney, Thomas D. Mauriello, whose address is 1181 Puerta Del Sol, Suite 120, San Clemente, CA 92673, Tel: (949) 542-3555. If you fail to do so, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

Clerk, U.S. District Court

Dated: OCT - 3 2012

By: MARILYN DAVIS  
 Deputy Clerk



(Seal of the Court)

[Use 60 days if the defendant is the United States or a United States agency, or is an officer or employee of the United States. Allowed 60 days by Rule 12(a)(3)].

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET

BY FAX

**I (a) PLAINTIFFS** (Check box if you are representing yourself ☐)  
IRENE CORSON and SUSAN M. YACKS, On Behalf Of Themselves  
And All Others Similarly Situated

**DEFENDANTS**  
TOYOTA MOTOR SALES, U.S.A., INC. and  
TOYOTA MOTOR CORPORATION

**(b) Attorneys** (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.)

Thomas D. Mauriello (SBN 144811), MAURIELLO LAW FIRM, APC,  
1181 Puerta Del Sol, Suite 120, San Clemente, CA 92673  
Tel: (949) 542-3555/Fax: (949) 606-9690/Email: tomm@maurlaw.com

Attorneys (If Known)

Unknown

**II. BASIS OF JURISDICTION** (Place an X in one box only.)

- ☐ 1 U.S. Government Plaintiff ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES** - For Diversity Cases Only  
(Place an X in one box for plaintiff and one for defendant.)

- |   | PTF                                   | DEF                        |   | PTF                        | DEF                                   |
|---|---------------------------------------|----------------------------|---|----------------------------|---------------------------------------|
| Citizen of This State                   | <input type="checkbox"/> 1            | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in this State     | <input type="checkbox"/> 4 | <input checked="" type="checkbox"/> 4 |
| Citizen of Another State                | <input checked="" type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5            |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3            | <input type="checkbox"/> 3 | Foreign Nation  | <input type="checkbox"/> 6 | <input type="checkbox"/> 6            |

**IV. ORIGIN** (Place an X in one box only.)

- ☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify): ☐ 6 Multi-District Litigation ☐ 7 Appeal to District Judge from Magistrate Judge

**V. REQUESTED IN COMPLAINT: JURY DEMAND:** ☒ Yes ☐ No (Check 'Yes' only if demanded in complaint.)

**CLASS ACTION under F.R.C.P. 23:** ☒ Yes ☐ No

☒ **MONEY DEMANDED IN COMPLAINT:** \$ To Be Determined at Trial

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
23 U.S.C. sec. 1332(d) (diversity jurisdiction)

**VII. NATURE OF SUIT** (Place an X in one box only.)

OTHER STATUTES	CONTRACT	TORTS	TORTS	PRISONER	LABOR
<input type="checkbox"/> 400 State Reapportionment	<input type="checkbox"/> 110 Insurance	<b>PERSONAL INJURY</b>	<b>PERSONAL PROPERTY</b>	<b>PETITIONS</b>	<input type="checkbox"/> 710 Fair Labor Standards Act
<input type="checkbox"/> 410 Antitrust	<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 510 Motions to Vacate Sentence	<input type="checkbox"/> 720 Labor/Mgmt. Relations
<input type="checkbox"/> 430 Banks and Banking	<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 371 Truth in Lending	<input type="checkbox"/> 530 Habeas Corpus	<input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act
<input type="checkbox"/> 450 Commerce/ICC Rates/etc.	<input type="checkbox"/> 140 Negotiable Instrument	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 535 Death Penalty	<input type="checkbox"/> 740 Railway Labor Act
<input type="checkbox"/> 460 Deportation	<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 330 Fed. Employers' Liability	<input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 540 Mandamus/Other	<input type="checkbox"/> 790 Other Labor Litigation
<input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations	<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 340 Marine	<b>BANKRUPTCY</b>	<input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 791 Empl. Ret. Inc. Security Act
<input type="checkbox"/> 480 Consumer Credit	<input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans)	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 555 Prison Condition	<b>PROPERTY RIGHTS</b>
<input type="checkbox"/> 490 Cable/Sat TV	<input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<b>FORFEITURE / PENALTY</b>	<input type="checkbox"/> 820 Copyrights
<input type="checkbox"/> 810 Selective Service	<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 355 Motor Vehicle Product Liability	<b>CIVIL RIGHTS</b>	<input type="checkbox"/> 610 Agriculture	<input type="checkbox"/> 830 Patent
<input type="checkbox"/> 850 Securities/Commodities/Exchange	<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 441 Voting	<input type="checkbox"/> 620 Other Food & Drug	<input type="checkbox"/> 840 Trademark
<input type="checkbox"/> 875 Customer Challenge 12 USC 3410	<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 362 Personal Injury-Med Malpractice	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<b>SOCIAL SECURITY</b>
<input type="checkbox"/> 890 Other Statutory Actions	<input type="checkbox"/> 196 Franchise	<input type="checkbox"/> 365 Personal Injury-Product Liability	<input type="checkbox"/> 443 Housing/Accommodations	<input type="checkbox"/> 630 Liquor Laws	<input type="checkbox"/> 861 HIA (1395ff)
<input type="checkbox"/> 891 Agricultural Act	<b>REAL PROPERTY</b>	<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 444 Welfare	<input type="checkbox"/> 640 R.R. & Truck	<input type="checkbox"/> 862 Black Lung (923)
<input type="checkbox"/> 892 Economic Stabilization Act	<input type="checkbox"/> 210 Land Condemnation	<b>IMMIGRATION</b>	<input type="checkbox"/> 445 American with Disabilities - Employment	<input type="checkbox"/> 650 Airline Regs	<input type="checkbox"/> 863 DIWC/DIWW (405(g))
<input type="checkbox"/> 893 Environmental Matters	<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 462 Naturalization Application	<input type="checkbox"/> 446 American with Disabilities - Other	<input type="checkbox"/> 660 Occupational Safety /Health	<input type="checkbox"/> 864 SSID Title XVI
<input type="checkbox"/> 894 Energy Allocation Act	<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 463 Habeas Corpus-Alien Detainee	<input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 690 Other	<input type="checkbox"/> 865 RSI (405(g))
<input type="checkbox"/> 895 Freedom of Info. Act	<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 465 Other Immigration Actions			<b>FEDERAL TAX SUITS</b>
<input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice	<input type="checkbox"/> 245 Tort Product Liability				<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)
<input type="checkbox"/> 950 Constitutionality of State Statutes	<input type="checkbox"/> 290 All Other Real Property				<input type="checkbox"/> 871 IRS-Third Party 26 USC 7609

FOR OFFICE USE ONLY: Case Number: **CV12-8499**

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA**  
**CIVIL COVER SHEET**

**VIII(a). IDENTICAL CASES:** Has this action been previously filed in this court and dismissed, remanded or closed? ☒ No ☐ Yes  
 If yes, list case number(s): \_\_\_\_\_

**VIII(b). RELATED CASES:** Have any cases been previously filed in this court that are related to the present case? ☒ No ☐ Yes  
 If yes, list case number(s): \_\_\_\_\_

**Civil cases are deemed related if a previously filed case and the present case:**

- (Check all boxes that apply) ☐ A. Arise from the same or closely related transactions, happenings, or events; or  
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or  
☐ C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**IX. VENUE:** (When completing the following information, use an additional sheet if necessary.)

- (a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named plaintiff resides.  
☐ Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
	Plaintiff Irene Corson - State of New York Plaintiff Susan M. Yacks - State of Pennsylvania

- (b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named defendant resides.  
☐ Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Defendant Toyota Motor Sales, U.S.A., Inc. - County of Los Angeles Toyota Motor Corporation - County of Los Angeles	

- (c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** claim arose.  
**Note: In land condemnation cases, use the location of the tract of land involved.**

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
County of Los Angeles	

\* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties

**Note:** In land condemnation cases, use the location of the tract of land involved.

X. SIGNATURE OF ATTORNEY (OR PRO PER):  Date October 3, 2012

**Notice to Counsel/Parties:** The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

**Key to Statistical codes relating to Social Security Cases:**

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))